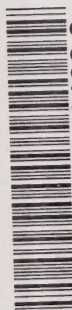


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Canada. Parliament. House of
Commons. Standing Committee on
Housing, urban development and public
works

Minutes of proceedings and
evidence

1967

no. 1-3

HOUSE OF COMMONS

Second Session—Twenty-seventh Parliament

1967

STANDING COMMITTEE

ON

**Housing, Urban Development
and Public Works**

Chairman: Mr. ROSAIRE GENDRON

PROCEEDINGS

No. 1

THURSDAY, JUNE 8, 1967

INCLUDING

Appendix A

Main Estimates 1967-68 of the Department of Public Works.

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UNIVERSITY OF TORONTO

STANDING COMMITTEE ON HOUSING, URBAN DEVELOPMENT
AND PUBLIC WORKS

Chairman: Mr. Rosaire Gendron

Vice-Chairman: Mr. Warren Allmand

and

Mr. Badanai,	Mr. Gray,	Mr. Mongrain,
Mr. Bell (<i>Saint John-</i>	Mr. Keays,	Mr. Neveu,
<i>Albert</i>),	Mr. Loiselle,	Mr. Pelletier,
Mr. Cashin,	⁴ Mr. Loney,	Mr. Ricard,
¹ Mr. Chatterton,	Mr. Macaluso,	Mr. Ryan,
Mr. Duquet,	² Mr. MacDonald (<i>Prince</i>),	Mr. Stewart,
Mr. Gauthier,	³ Mr. Macquarrie,	Mr. Watson (<i>Assiniboia</i>)
Mr. Gilbert,	Mr. Martin (<i>Timmins</i>),	—24.

(Quorum 13)

Gabrielle Savard,
Clerk of the Committee.

¹Replaced Mr. Nielsen on June 1st.

²Replaced Mr. Scott (Victoria (Ont.)) on June 2nd.

³Replaced Mr. Loney on June 2nd.

⁴Replaced Mr. MacEwan on June 7th.

ORDERS OF REFERENCE

FRIDAY, May 19, 1967.

Resolved,—That the following Members do compose the Standing Committee on Housing, Urban Development and Public Works:

Messrs.

Allmand,	Gray,	Neveu,
Badanai,	Keays,	Nielsen,
Bell (<i>Saint John-Albert</i>),	Loiselle,	Pelletier,
Cashin,	Loney,	Ricard,
Duquet,	Macaluso,	Ryan,
Gauthier,	MacEwan,	Scott (<i>Victoria (Ont.)</i>),
Gendron,	Martin (<i>(Timmins)</i>),	Stewart,
Gilbert,	Mongrain,	Watson (<i>Assiniboia</i>)
		—(24).

THURSDAY, May 25, 1967.

Ordered,—That, saving always the powers of the Committee of Supply in relation to the voting of public monies, the items listed in the Main Estimates for 1967-68, relating to the Department of Public Works be withdrawn from the Committee of Supply and referred to the Standing Committee on Housing, Urban Development and Public Works.

THURSDAY, June 1, 1967.

Ordered,—That the name of Mr. Chatterton be substituted for that of Mr. Nielsen on the Standing Committee on Housing, Urban Development and Public Works.

FRIDAY, June 2, 1967.


Ordered,—That the names of Messrs. MacDonald (*Prince*) and Macquarrie be substituted for those of Messrs. Scott (*Victoria, Ont.*) and Loney on the Standing Committee on Housing, Urban Development and Public Works.

WEDNESDAY, June 7, 1967.

Ordered,—That the name of Mr. Loney be substituted for that of Mr. MacEwan on the Standing Committee on Housing, Urban Development and Public Works.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House of Commons.



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MINUTES OF PROCEEDINGS

THURSDAY, June 1, 1967.

The Standing Committee on Housing, Urban Development and Public Works having been duly called to meet at 10.30 a.m. today for organization purposes, the following members were present: Messrs. Allmand, Badanai, Duquet, Gauthier, Gendron, Gray, Keays, Macaluso, Neveu, Scott (*Victoria (Ont.)*) (10).

There being no quorum, at 11 o'clock a.m., the members dispersed.

THURSDAY, June 8, 1967.

(1)

The Standing Committee on Housing, Urban Development and Public Works met this day at 11.15 o'clock a.m. for organization purposes.

Members present: Messrs. Allmand, Badanai, Bell (*Saint John-Albert*), Cashin, Duquet, Gauthier, Chatterton, Gendron, Gray, Loiselle, Loney, MacDonald (*Prince*), Martin (*Timmins*), Mongrain, Neveu, Ricard, Ryan, Stewart (18).

The Clerk attending and having called for nominations, Mr. Neveu moved, seconded by Mr. Gauthier, that Mr. Gendron be elected Chairman of the Committee.

On motion of Mr. Badanai, seconded by Mr. Loiselle,
Agreed,—That nominations be closed.

The question being put, Mr. Gendron was unanimously elected Chairman of the Committee, and invited by the Clerk to take the Chair.

Mr. Gendron thanked the Committee for the honour bestowed upon him and called for nominations for Vice-Chairman.

On motion of Mr. Duquet, seconded by Mr. Ryan,
Resolved, (unanimously),—That Mr. Allmand be elected Vice-Chairman of this Committee.

On motion of Mr. Mongrain, seconded by Mr. Loiselle,
Resolved,—That the Chairman and four members appointed by him do compose the Subcommittee on Agenda and Procedure.

Mr. Duquet moved, seconded by Mr. Mongrain,
Agreed,—That the Committee print from day to day 850 copies in English and 350 copies in French of its Minutes of Proceedings and Evidence.

Moved by Mr. Ryan, seconded by Mr. Duquet,
Agreed,—That the items listed in the Main Estimates for 1967-68 relating to the Department of Public Works be printed as an appendix in Issue No. 1 of the Proceedings of the Committee. (*See Appendix A*)

The Committee discussed the procedure to be followed and its future order of business.

On motion of Mr. Bell, seconded by Mr. Duquet,

Agreed,—That the suggestions about procedure be placed before the Steering Committee for consideration.

On motion of Mr. Ryan, seconded by Mr. Loiselle,

Resolved, (unanimously),—That the Committee seek permission to sit while the House is sitting.

At 11.35 o'clock a.m., on motion of Mr. Duquet, the Committee adjourned to the call of the Chair.

Gabrielle Savard,
Clerk of the Committee.

ESTIMATES 1967-68
PUBLIC WORKS

APPENDIX A

PUBLIC WORKS

MAIN ESTIMATES, 1967-68

PUBLIC WORKS

No. of Vote	Service	1967-68	1966-67	Change	
				Increase	Decrease
		\$	\$	\$	\$
	A—DEPARTMENT				
(S)	Minister of Public Works—Salary and Motor Car Allowance (Details, page 422).....	17,000	17,000		
1	General Administration, including grants as detailed in the Estimates (Details, page 422)	19,734,600	17,294,700	2,439,900	
	ACCOMMODATION SERVICES				
5	Maintenance and Operation of public buildings and grounds, including the provision, on a recoverable basis, of accommodation and related services for Canada Pension Plan purposes, and authority to provide assistance to (a) the International Civil Aviation Organization in the form of office accommodation at less than commercial rates and (b) the Ottawa Civil Service Recreation Association in the form of maintenance services in respect of the W. Clifford Clark Memorial Centre in Ottawa (Details, page 429).....	76,615,000	73,817,000	2,798,000	
10	Acquisition of equipment and furnishings other than office furnishings (Details, page 431).....	1,485,000	913,000	572,000	
15	Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the Details of Estimates (Details, page 432).....	48,165,000	32,250,001	15,914,999	
		126,265,000	106,980,001	19,284,999	
	HARBOURS AND RIVERS ENGINEERING SERVICES				
20	Operation and Maintenance (Details, page 438).....	7,924,000	7,380,000	544,000	
25	Construction or Acquisition of Equipment (Details, page 441).....	925,000	1,050,000		125,000
30	Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the Details of Estimates (Details, page 443).....	31,430,000	32,080,000		650,000
(S)	Dry Dock Subsidies—Canadian Vickers Limited, (Montreal) (Details, page 448).....	180,000	180,000		
		40,459,000	40,690,000		231,000

PUBLIC WORKS

421

No. of Vote	Service	1967-68	1966-67	Change	
				Increase	Decrease
		\$	\$	\$	\$
	A—DEPARTMENT (Continued)				
	ROADS, BRIDGES AND OTHER ENGINEERING SERVICES				
35	Operation and Maintenance including authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the operating expenses of the New Westminster Bridge (Details, page 448).....	6,901,000	6,043,000	858,000	
40	Construction, acquisition, major repairs and improvements of, and plans and sites for the roads, bridges and other engineering works listed in the Details of Estimates, provided that the amounts within the Vote to be expended on individually listed projects may be increased or decreased subject to the approval of Treasury Board (Details, page 450).....	19,965,000	16,675,001	3,289,999	
(S)	Trans-Canada Highway— Contributions to the Provinces under terms of the Trans-Canada Highway Act (Details, page 451).....	60,000,000	70,600,000		10,600,000
50	Construction through National Parks (Details, page 451).....	1,860,000	1,175,000	685,000	
		88,726,000	94,493,001		5,767,001
	TESTING LABORATORIES				
55	Operation and Maintenance (Details, page 451).	1,303,700	1,260,000	43,700	
	SUMMARY				
	To be voted.....	216,308,300	189,937,702	26,370,598	
	Authorized by Statute.....	60,197,000	70,797,000		10,600,000
		276,505,300	260,734,702	15,770,598	
	B—NATIONAL CAPITAL COMMISSION				
60	Operation and Maintenance, General Administration and interest charges on outstanding loans that were made for the purpose of acquiring property in the National Capital Region (Details, page 452).....	8,450,000	7,332,000	1,118,000	
65	Payment to the National Capital Fund (Details, page 453).....	14,650,000	25,000,000		10,350,000
		23,100,000	32,332,000		9,232,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT		
		Approximate Value of Major Services not included in these Estimates		
		Accommodation (provided by the Department of Public Works).....	7,331,500	5,167,800
		Accounting and cheque issue services (Comptroller of the Treasury).....	1,168,700	819,800
		Contributions to Superannuation Account (Treasury Board).....	3,046,800	2,020,700
		Contributions to Canada Pension Plan Account and Quebec Pension Plan Account (Treasury Board)....	615,900	580,000
		Employee surgical-medical insurance premiums (Treasury Board).....	406,900	269,100
		Employee compensation payments (Department of Labour).....	224,000	152,000
		Carrying of franked mail (Post Office Department).....	33,200	46,600
			12,827,000	9,056,000
		Statutory—Minister of Public Works—Salary and Motor Car Allowance		
		Salary.....(1)	15,000	15,000
		Motor Car Allowance.....(2)	2,000	2,000
			17,000	17,000
		Vote 1—General Administration, including grants as detailed in the Estimates		
		GENERAL ADMINISTRATION INCLUDING A GRANT OF \$14,000 TO THE CANADIAN GOOD ROADS ASSOCIATION		
		Administrative Branch		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Deputy Minister (\$27,000)		
		Senior Officer 3 (\$20,500–\$24,750)		
		Senior Officer 2 (\$18,500–\$22,750)		
		Senior Officer 1 (\$16,500–\$20,500)		
		(\$16,000–\$18,000)		
		(\$14,000–\$16,000)		
		(\$12,000–\$14,000)		
		(\$10,000–\$12,000)		
		(\$8,000–\$10,000)		
		(\$6,000–\$8,000)		
		Administrative and Foreign Service:		
		(\$18,000–\$20,000)		
		(\$16,000–\$18,000)		
		(\$14,000–\$16,000)		
		(\$12,000–\$14,000)		
		(\$10,000–\$12,000)		
		(\$8,000–\$10,000)		
		(\$6,000–\$8,000)		
		(\$4,000–\$6,000)		
		Technical, Operational and Service:		
		(\$14,000–\$16,000)		
		(\$12,000–\$14,000)		
		(\$10,000–\$12,000)		
		(\$8,000–\$10,000)		
		(\$6,000–\$8,000)		
		(\$4,000–\$6,000)		
		(Under \$4,000)		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		Vote 1 (Continued)		
		GENERAL ADMINISTRATION (Continued)		
		Administrative Branch (Continued)		
		Salaried Positions: (Continued)		
		Administrative Support:		
		(\$8,000-\$10,000)		
1	12	(\$6,000-\$8,000)		
49	330	(\$4,000-\$6,000)		
486	312	(Under \$4,000)		
134	2	(Part Time)		
2	18	Prevailing Rate Positions:		
		(Full Time)		
18				
1,120	962	Continuing Establishment.....	6,142,000	4,837,900
(1,119)	(961)	Casuals and Others.....	110,000	96,000
(38)	(33)			
(1,157)	(994)	Salaries and Wages (including \$610,900 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay).....(1)	6,252,000	4,933,900
		Overtime.....(1)	3,200	3,000
		Allowances.....(2)	213,000	228,500
		Professional and Special Services.....(4)	42,000	27,000
		Travelling and Removal Expenses.....(5)	463,000	104,000
		Freight, Express and Cartage.....(6)	14,400	14,200
		Postage.....(7)	50,000	44,600
		Telephones and Telegrams.....(8)	271,000	233,400
		Publication of Annual Report and Other Material... (9)	25,700	27,800
		Exhibits, Advertising, Films, Broadcasting and Displays.....(10)	3,000	3,000
		Office Stationery, Supplies and Equipment.....(11)	402,500	228,500
		Materials and Supplies.....(12)	138,000	126,400
		Rental of Land, Buildings and Works.....(15)	1,900	10,800
		Acquisition of Equipment.....(16)	268,500	205,400
		Repairs and Upkeep of Equipment.....(17)	56,000	58,100
		Rental of Equipment.....(18)	4,400	2,400
		Membership Fees.....(20)	800	500
		Contribution to the Yukon Territorial Government towards the cost of construction of an extension to the Elementary High School at Watson Lake, Y.T.....(20)		13,200
		Unemployment Insurance Contributions.....(21)	10,000	9,800
		Sundries.....(22)	10,500	10,600
			8,229,900	6,285,100
		Property and Building Management Branch		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Senior Officer 2 (\$18,500-\$22,750)		
		(\$14,000-\$16,000)		
1	1	(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
1	1	(\$8,000-\$10,000)		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		Vote 1 (Continued)		
		GENERAL ADMINISTRATION (Continued)		
		Property and Building Management Branch (Continued)		
		Salaried Positions: (Continued)		
		Administrative and Foreign Service:		
		(\$16,000-\$18,000)		
4		(\$12,000-\$14,000)		
16	4	(\$10,000-\$12,000)		
14	1	(\$8,000-\$10,000)		
133	1	(\$6,000-\$8,000)		
10	1	Technical, Operational and Service:		
		(\$12,000-\$14,000)		
	3	(\$10,000-\$12,000)		
	19	(\$8,000-\$10,000)		
7	34	(\$6,000-\$8,000)		
20	142	(\$4,000-\$6,000)		
6	12	Administrative Support:		
		(\$6,000-\$8,000)		
7		(\$4,000-\$6,000)		
58	49	(Under \$4,000)		
4	24	Prevailing Rate Positions:		
		(Full Time)		
1	1	Local Assistance Abroad:		
		(Full Time)		
12	12			
296	308	Continuing Establishment.....	1,928,000	2,024,000
(296)	(308)	Casuals and Others.....	28,000	4,000
(7)	(1)			
(303)	(309)	Salaries and Wages (including \$337,500 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay)..... (1)	1,956,000	2,028,000
		Overtime..... (1)	400	500
		Allowances..... (2)	59,000	68,200
		Professional and Special Services..... (4)	4,000	2,800
		Travelling and Removal Expenses..... (5)	135,000	118,000
		Freight, Express and Cartage..... (6)	100	200
		Postage..... (7)	500	300
		Telephones and Telegrams..... (8)	9,200	9,200
		Office Stationery, Supplies and Equipment..... (11)	13,500	11,000
		Materials and Supplies..... (12)		100
		Unemployment Insurance Contributions..... (21)	2,500	2,500
		Sundries..... (22)	1,000	1,000
			2,181,200	2,241,800
		Building Construction Branch		
		Salaried Positions:		
		Executive, Scientific and Professional:		
	1	Senior Officer 2 (\$18,500-\$22,750)		
2	2	Senior Officer 1 (\$16,500-\$20,500)		
2		(\$16,000-\$18,000)		
38	2	(\$14,000-\$16,000)		
49	38	(\$12,000-\$14,000)		
47	97	(\$10,000-\$12,000)		
15	15	(\$8,000-\$10,000)		
		Administrative and Foreign Service:		
1		(\$16,000-\$18,000)		
	1	(\$12,000-\$14,000)		
4	2	(\$8,000-\$10,000)		
2	3	(\$6,000-\$8,000)		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		Vote 1 (Continued)		
		GENERAL ADMINISTRATION (Continued)		
		Building Construction Branch (Continued)		
		Salaried Positions: (Continued)		
		Technical, Operational and Service:		
1		(\$14,000-\$16,000)		
3	1	(\$12,000-\$14,000)		
6	3	(\$10,000-\$12,000)		
27	17	(\$8,000-\$10,000)		
76	89	(\$6,000-\$8,000)		
	3	(\$4,000-\$6,000)		
		Administrative Support:		
4		(\$6,000-\$8,000)		
30	21	(\$4,000-\$6,000)		
4	15	(Under \$4,000)		
311	310	Continuing Establishment.....	2,772,000	2,450,300
(311)	(310)	Casuals and Others.....	50,000	29,000
(10)	(7)			
(321)	(317)	Salaries and Wages (including \$211,800 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay)..... (1)	2,822,000	2,479,300
		Overtime..... (1)	4,000	2,000
		Allowances..... (2)		500
		Professional and Special Services..... (4)	8,500	7,000
		Travelling and Removal Expenses..... (5)	135,000	120,000
		Freight, Express and Cartage..... (6)	500	300
		Telephones and Telegrams..... (8)	14,000	13,500
		Publication of Annual Report and Other Material..... (9)	2,000	1,000
		Office Stationery, Supplies and Equipment..... (11)	31,000	22,000
		Acquisition of Equipment..... (16)	500	3,400
		Repairs and Upkeep of Equipment..... (17)	200	500
		Membership Fees..... (20)	100	100
		Unemployment Insurance Contributions..... (21)	200	300
		Sundries..... (22)	400	300
			3,018,400	2,650,200
		Harbours and Rivers Engineering Branch		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Senior Officer 2 (\$18,500-\$22,750)		
1	1	(\$16,000-\$18,000)		
2		(\$14,000-\$16,000)		
20	3	(\$12,000-\$14,000)		
15	20	(\$10,000-\$12,000)		
41	57	(\$8,000-\$10,000)		
104	105			
		Administrative and Foreign Service:		
2	1	(\$8,000-\$10,000)		
3	5	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
1		(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
27	18	(\$8,000-\$10,000)		
105	107	(\$6,000-\$8,000)		
10	18	(\$4,000-\$6,000)		
2	2	(Part Time)		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		Vote 1 (Continued)		
		GENERAL ADMINISTRATION (Continued)		
		Harbours and Rivers Engineering Branch (Continued)		
		Salaried Positions: (Continued)		
		Administrative Support:		
1		(\$6,000-\$8,000)		
34	19	(\$4,000-\$6,000)		
3	18	(Under \$4,000)		
		Prevailing Rate Positions:		
1	1	(Part Time)		
38	40	Ships' Officers and Crews:		
9	7	(Full Time)		
		(Seasonal)		
420	423	Continuing Establishment.....	2,917,000	3,066,100
(416)	(420)	Casuals and Others.....	400,000	167,000
(68)	(28)			
(484)	(448)	Salaries and Wages (including \$193,100 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay).....(1)	3,317,000	3,233,100
		Overtime.....(1)	35,400	30,000
		Allowances.....(2)	39,000	25,200
		Professional and Special Services.....(4)	27,300	44,500
		Travelling and Removal Expenses.....(5)	320,000	270,000
		Freight, Express and Cartage.....(6)	2,300	2,500
		Telephones and Telegrams.....(8)	7,800	9,000
		Publication of Annual Report.....(9)	300	300
		Office Stationery, Supplies and Equipment.....(11)	13,500	13,500
		Materials and Supplies.....(12)	63,900	60,800
		Acquisition of Equipment.....(16)	52,000	88,200
		Repairs and Upkeep of Equipment.....(17)	60,400	67,600
		Rental of Equipment.....(18)	8,500	15,200
		Municipal or Public Utility Services.....(19)	2,500	2,500
		Membership Fees.....(20)	200	400
		Unemployment Insurance Contributions.....(21)	1,400	500
		Sundries.....(22)	4,000	4,000
			3,955,500	3,867,300
		Development Engineering Branch		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Senior Officer 2 (\$18,500-\$22,750)		
1	1	(\$16,000-\$18,000)		
3		(\$14,000-\$16,000)		
17	3	(\$12,000-\$14,000)		
9	17	(\$10,000-\$12,000)		
32	40	(\$8,000-\$10,000)		
50	49	(\$6,000-\$8,000)		
	2			
		Administrative and Foreign Service:		
3	1	(\$8,000-\$10,000)		
	1	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
1		(\$12,000-\$14,000)		
5	3	(\$10,000-\$12,000)		
14	10	(\$8,000-\$10,000)		
62	60	(\$6,000-\$8,000)		
2	12	(\$4,000-\$6,000)		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		Vote 1 (Continued)		
		GENERAL ADMINISTRATION (Continued)		
		Development Engineering Branch (Continued)		
		Salaried Positions: (Continued)		
		Administrative Support		
		(\$4,000-\$6,000)		
		(Under \$4,000)		
26	21			
2	11			
227	231			
(227)	(231)			
(4)	(4)	Continuing Establishment.....	1,682,000	1,666,600
		Casuals and Others.....	21,000	19,000
(231)	(235)	Salaries and Wages (including \$133,100 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay)..... (1)	1,703,000	1,685,600
		Overtime..... (1)	54,000	50,000
		Allowances..... (2)	37,000	33,900
		Professional and Special Services..... (4)		500
		Travelling and Removal Expenses..... (5)	83,000	83,000
		Freight, Express and Cartage..... (6)	1,200	1,300
		Telephones and Telegrams..... (8)	11,300	13,400
		Publication of Annual Report and Other Material..... (9)		900
		Office Stationery, Supplies and Equipment..... (11)	21,000	22,500
		Materials and Supplies..... (12)	48,000	19,000
		Acquisition of Equipment..... (16)	55,000	6,000
		Repairs and Upkeep of Equipment..... (17)	18,000	20,600
		Rental of Equipment..... (18)	100	100
		Municipal or Public Utility Services..... (19)	4,500	4,500
		Membership Fees..... (20)	400	400
		Grant to Canadian Good Roads Association..... (20)	14,000	14,000
		Unemployment Insurance Contributions..... (21)	600	1,100
		Sundries..... (22)	800	900
			2,051,900	1,957,700
		Total, General Administration.....	19,436,900	17,002,100
		(Further Details)		
		Headquarters:		
		Administrative Branch.....	4,366,140	1,985,000
		Property and Building Management Branch.....	759,400	709,400
		Building Construction Branch.....	1,517,700	1,377,900
		Harbours and Rivers Engineering Branch.....	590,700	754,700
		Development Engineering Branch.....	621,400	612,700
			7,855,340	5,439,700
		District Offices.....	11,581,560	11,562,400
		Total, General Administration.....	19,436,900	17,002,100
		Expenditure		
		1964-65..... \$ 12,073,506		
		1965-66..... 15,413,436		
		1966-67 (estimated)..... 17,606,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		Vote 1 (Continued)		
		WORK IN THE INTERESTS OF FIRE PREVENTION INCLUDING A GRANT OF \$5,000 TO THE CANADIAN JOINT FIRE PREVENTION PUBLICITY COMMITTEE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
2		(\$14,000-\$16,000)		
1	2	(\$12,000-\$14,000)		
3	6	(\$10,000-\$12,000)		
3	1	(\$8,000-\$10,000)		
		Administrative and Foreign Service:		
1		(\$14,000-\$16,000)		
	1	(\$12,000-\$14,000)		
		Technical, Operational and Service:		
2		(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
3	4	(\$8,000-\$10,000)		
4	5	(\$6,000-\$8,000)		
4	4	(\$4,000-\$6,000)		
		Administrative Support:		
7	6	(\$4,000-\$6,000)		
	1	(Under \$4,000)		
31	31			
(31)	(31)			
		Salaries (including \$23,100 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay).....(1)	247,000	249,600
		Allowances.....(2)	1,100	
		Professional and Special Services.....(4)	200	200
		Travelling Expenses.....(5)	14,000	10,000
		Freight, Express and Cartage.....(6)	1,000	1,000
		Telephones and Telegrams.....(8)	1,700	1,500
		Publication of Fire Loss Reports, Fire Prevention Codes, Manuals, Pamphlets and Other Material.....(9)	11,000	9,000
		Fire Prevention Films and Advertising.....(10)	8,500	8,500
		Office Stationery, Supplies and Equipment.....(11)	6,500	6,500
		Materials and Supplies.....(12)	100	100
		Acquisition of Equipment.....(16)	500	450
		Repairs and Upkeep of Equipment.....(17)	400	150
		Membership Fees, Trophies, Prizes and Awards....(20)	400	350
		Grant to Canadian Joint Fire Prevention Publicity Committee.....(20)	5,000	5,000
		Sundries.....(22)	300	250
			297,700	292,600
		Expenditure		
		1964-65.....\$ 230,541		
		1965-66.....222,924		
		1966-67 (estimated).....254,000		
		Total, Vote 1.....	19,734,600	17,294,700
		Expenditure		
		1964-65.....\$ 12,304,047		
		1965-66.....15,636,360		
		1966-67 (estimated).....17,860,000		

PUBLIC WORKS

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Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES		
		Vote 5—Maintenance and operation of public buildings and grounds, including the provision, on a recoverable basis, of accommodation and related services for Canada Pension Plan purposes, and authority to provide assistance to (a) the International Civil Aviation Organization in the form of office accommodation at less than commercial rates and (b) the Ottawa Civil Service Recreation Association in the form of maintenance services in respect of the W. Clifford Clark Memorial Centre in Ottawa		
		Ottawa and Hull		
		Salaried Positions:		
		Administrative and Foreign Service:		
1		(\$16,000-\$18,000)		
1	1	(\$12,000-\$14,000)		
4		(\$10,000-\$12,000)		
20	1	(\$8,000-\$10,000)		
	1	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
3	3	(\$10,000-\$12,000)		
17	12	(\$8,000-\$10,000)		
130	148	(\$6,000-\$8,000)		
397	414	(\$4,000-\$6,000)		
555	594	(Under \$4,000)		
3	2	(Part Time)		
118	118	(Seasonal)		
		Administrative Support:		
1	1	(\$6,000-\$8,000)		
32	9	(\$4,000-\$6,000)		
10	31	(Under \$4,000)		
		Prevailing Rate Positions:		
345	347	(Full Time)		
580	580	(Part Time)		
2,217	2,262			
(1,896)	(1,942)			
(48)	(48)	Continuing Establishment.....	8,100,000	7,953,000
		Casuals and Others.....	200,000	180,000
(1,944)	(1,990)	Salaries and Wages.....(1)	8,300,000	8,133,000
		Overtime.....(1)	240,000	120,000
		Allowances.....(2)	7,000	8,000
		Professional and Special Services.....(4)	1,362,000	1,178,000
		Travelling Expenses.....(5)	30,000	30,000
		Moving Government Departments and Services.....(6)	258,000	240,000
		Freight, Express and Cartage.....(6)	5,000	6,000
		Telephones and Telegrams.....(8)	20,000	17,500
		Office Stationery, Supplies and Equipment.....(11)	13,000
		Materials and Supplies.....(12)	1,979,000	1,832,000
		Repairs and Upkeep of Buildings including materials required therefor.....(14)	2,870,000	2,517,000
		Rents.....(15)	11,834,000	10,377,000
		Repairs and Upkeep of Equipment.....(17)	30,000	30,000
		Rental and Maintenance of Sound Reinforcing Equipment for the House of Commons and Senate....(18)	100,000	100,000
		Municipal or Public Utility Services.....(19)	2,800,000	2,728,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 5 (Continued)		
		Ottawa and Hull (Continued)		
		Unemployment Insurance Contributions and other personal benefits.....(21)	4,000	3,500
		Sundries.....(22)	3,000	3,000
			29,842,000	27,336,000
		Other than Ottawa and Hull		
		Salaried Positions:		
		Technical, Operational and Service:		
3	4	(\$8,000-\$10,000)		
74	76	(\$6,000-\$8,000)		
1,092	1,123	(\$4,000-\$6,000)		
1,193	1,223	(Under \$4,000)		
455	452	(Part Time)		
422	417	(Seasonal)		
		Administrative Support:		
7	7	(\$4,000-\$6,000)		
1	1	(Under \$4,000)		
		Prevailing Rate Positions:		
472	499	(Full Time)		
272	272	(Part Time)		
		Local Assistance Abroad:		
16	16	(Full Time)		
4,007	4,090			
(3,538)	(3,624)	Continuing Establishment.....	14,475,000	14,231,000
(134)	(134)	Casuals and Others.....	465,000	450,000
(3,672)	(3,758)	Salaries and Wages.....(1)	14,940,000	14,681,000
		Overtime.....(1)	285,000	175,000
		Allowances.....(2)	448,000	479,000
		Professional and Special Services.....(4)	3,993,000	3,612,000
		Travelling Expenses.....(5)	109,000	77,000
		Moving Government Departments and Services.....(6)	92,000	73,000
		Freight, Express and Cartage.....(6)	49,000	62,000
		Telephones and Telegrams.....(8)	45,000	47,000
		Materials and Supplies.....(12)	3,829,000	4,123,000
		Repairs and Upkeep of Buildings including materials required therefor.....(14)	5,906,000	6,000,000
		Rents.....(15)	11,505,000	6,818,000
		Repairs and Upkeep of Equipment.....(17)	200,000	167,000
		Municipal or Public Utility Services.....(19)	5,322,000	5,110,000
		Unemployment Insurance Contributions and other personal benefits.....(21)	35,000	35,000
		Sundries.....(22)	15,000	22,000
			46,773,000	41,481,000
		Total, Maintenance and Operation of Public Buildings and Grounds.....	76,615,000	68,817,000

PUBLIC WORKS

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Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 5 (Continued)		
		(Further Details)		
		Newfoundland.....	2,093,153	1,975,060
		Nova Scotia.....	2,105,665	1,916,135
		Prince Edward Island.....	295,101	271,710
		New Brunswick.....	1,278,223	1,177,469
		Quebec.....	10,780,497	9,137,715
		Ottawa and Hull.....	29,842,000	27,336,000
		Ontario (other than Ottawa and Hull).....	11,906,768	9,715,103
		Manitoba.....	5,535,067	5,810,866
		Saskatchewan.....	1,719,996	1,690,591
		Alberta.....	3,133,921	2,304,200
		British Columbia.....	3,919,429	3,463,532
		Yukon and Northwest Territories.....	3,350,681	3,449,777
		London, England.....	580,029	509,629
		U.S.A. and Argentina.....	74,470	59,213
			76,615,000	68,817,000
		Expenditure Revenue		
		1964-65..... \$ 53,464,313 \$2,774,022		
		1965-66..... 66,454,444 2,892,722		
		1966-67 (estimated)..... 75,450,000 3,000,000		
		ITEM NOT REQUIRED FOR 1967-68		
		Furniture and Furnishings for Government Departments		
		Freight, Express and Cartage..... (6)		45,000
		Furniture and Furnishings..... (11)		4,955,000
				5,000,000
		Total, Vote 5.....	76,615,000	73,817,000
		Expenditure		
		1964-65..... \$ 55,696,500		
		1965-66..... 66,454,444		
		1966-67 (estimated)..... 74,961,000		
		Vote 10—Acquisition of equipment and furnish- ings other than office furnishings..... (16)	1,485,000	913,000
		Expenditure		
		1964-65..... \$ 1,453,437		
		1965-66..... 1,184,910		
		1966-67 (estimated)..... 913,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15—Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the details of Estimates		
		NEWFOUNDLAND		
		Bay Roberts—Public Building—To complete.....	140,000	50,000
		Catalina—Public Building—To complete.....	90,000	50,000
		Items not required for 1967-68.....		100,000
			230,000	200,000
		Expenditure		
		1964-65..... \$ 27,759		
		1965-66..... 232,238		
		1966-67 (estimated)..... 131,000		
		NOVA SCOTIA		
		Amherst—Public Building.....	300,000	50,000
		Antigonish—Public Building.....	300,000	100,000
		Arichat—Public Building.....	85,000	
		Canso—Public Building.....	85,000	
		Middleton—Public Building—Addition and alterations.....	110,000	
		Items not required for 1967-68.....		470,000
			880,000	620,000
		Expenditure		
		1964-65..... \$ 616,104		
		1965-66..... 1,339,449		
		1966-67 (estimated)..... 487,000		
		NEW BRUNSWICK		
		Black's Harbour—Public Building—To complete.....	175,000	75,000
		Items not required for 1967-68.....		150,000
			175,000	225,000
		Expenditure		
		1964-65..... \$ 360,602		
		1965-66..... 43,152		
		1966-67 (estimated)..... 120,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15 (Continued)		
		QUEBEC		
		Bedford—Public Building—To complete.....	75,000	50,000
		Chambly—Public Building—Addition and alterations..	95,000	
		Cite de Jacques Cartier—Public Building—Addition and alterations.....	150,000	
		Hauterive—Public Building—To complete.....	165,000	175,000
		Hull—Printing Bureau Building—Alterations—To complete.....	210,000	100,000
		Lennoxville—Public Building.....	85,000	
		Montreal—National Film Board Buildings—Improve- ments and new Distribution Branch Building.....	300,000	50,000
		New Richmond—Public Building—To complete.....	200,000	150,000
		Quebec—Building for Taxation Division, Department of National Revenue.....	1,000,000	
		Roxboro—Public Building—Addition and alterations..	110,000	
		Ste. Anne des Monts—Public Building—To complete...	50,000	50,000
		St. Cesaire—Public Building.....	55,000	
		Ste. Foy—Public Building.....	100,000	
		Ste. Therese de Blainville—Public Building.....	300,000	
		St. Remi—Public Building.....	65,000	
		St. Tite—Public Building.....	75,000	
		Sept Iles—Public Building—Addition and alterations...	175,000	
		Temiskaming—Public Building.....	70,000	
		Valleyfield—Public Building.....	400,000	
		Varenes—Public Building.....	95,000	
		Items not required for 1967-68.....		840,000
			3,775,000	1,415,000
		Expenditure		
		1964-65..... \$ 1,652,516		
		1965-66..... 1,384,932		
		1966-67 (estimated)..... 2,201,000		
		OTTAWA		
		Ottawa—Building for Exhibition Commission, Depart- ment of Trade and Commerce and Chief Electoral Officer.....	2,000,000	
		Ottawa—Building for National Police Services, Royal Canadian Mounted Police.....	400,000	
		Ottawa—Building for Taxation Division, Department of National Revenue.....	3,500,000	2,150,000
		Ottawa—Central Experimental Farm—Alterations and improvements to Greenhouses—To complete.....	100,000	130,000
		Ottawa—Central Experimental Farm—Improvements to Sanitary and Storm Sewers—To complete.....	300,000	400,000
		Ottawa—Central Experimental Farm—K. W. Neatby Building—Alterations.....	150,000	
		Ottawa—Central Experimental Farm—Plant growth chambers—To complete.....	50,000	100,000
		Ottawa—Central Experimental Farm—Revisions to roads.....	80,000	

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15 (Continued)		
		OTTAWA (Continued)		
		Ottawa—Central Experimental Farm—William Saunders Building—Alterations.....	50,000	
		Ottawa—Central Experimental Farm—Sir John Carling Building—Installation of Cartography Unit.....	80,000	
		Ottawa—Central Heating Plant on Cliff Street—Im- provements.....	2,400,000	1,800,000
		Ottawa—Confederation Building—Alterations and im- provements.....	1,000,000	100,000
		Ottawa—Dominion Bureau of Statistics Building—Ad- dition and alterations.....	750,000	
		Ottawa—Food and Drug Laboratory—Addition and alterations.....	750,000	
		Ottawa—Forest Products Laboratory—Addition and alterations.....	170,000	
		Ottawa—Magnetic Laboratory for Department of Ener- gy, Mines and Resources.....	750,000	600,000
		Ottawa—National Museum.....	100,000	500,000
		Ottawa—Office Building for Government Departments.....	500,000	
		Ottawa—Plouffe Park Warehouse—Improvements.....	75,000	
		Ottawa—Postal Terminal.....	1,200,000	1,000,000
		Ottawa—Research Branch Buildings for Department of Agriculture.....	3,000,000	1,500,000
		Ottawa—Supreme Court Building—Alterations and im- provements—To complete.....	550,000	200,000
		Ottawa—Towards relocation of Mines Branch, Depart- ment of Energy, Mines and Resources.....	3,300,000	2,500,000
		Ottawa—Tunney's Pasture—Additional accommodation for Food and Drug Laboratory.....	250,000	
		Items not required for 1967-68.....		5,710,000
			21,505,000	16,690,000
		Expenditure		
		1964-65.....	\$ 13,089,000	
		1965-66.....	16,137,935	
		1966-67 (estimated).....	12,441,000	
		ONTARIO (OTHER THAN OTTAWA)		
		Ajax—Public Building.....	150,000	
		Aurora—Public Building—To complete.....	300,000	300,000
		Chelmsford—Public Building.....	75,000	
		Cochrane—Public Building—Addition and alterations— To complete.....	100,000	70,000
		Cooksville—Public Building—To complete.....	600,000	200,000
		Don Mills—Public Building—Addition and alterations..	450,000	100,000
		Durham—Public Building—To complete.....	65,000	75,000
		Essex—Public Building—To complete.....	180,000	150,000
		Fenelon Falls—Public Building.....	70,000	
		Gananoque—Public Building.....	100,000	
		Hamilton—Postal Station "C".....	175,000	
		Hamilton—Postal Station "D".....	300,000	
		London—Postal Station "C".....	300,000	
		Malton—Public Building—To complete.....	240,000	50,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15 (Continued)		
		ONTARIO (OTHER THAN OTTAWA) (Continued)		
		Maple—Public Building.....	75,000	
		Napanee—Public Building.....	400,000	300,000
		New Liskeard—Public Building—Addition and alterations.....	95,000	
		North Bay—Public Building—Alterations and improvements.....	150,000	
		Parkhill—Public Building—To complete.....	65,000	75,000
		Port Colborne—Public Building.....	400,000	150,000
		Port Credit—Public Building—Addition and alterations—To complete.....	250,000	250,000
		Rexdale—Public Building—Addition and alterations—To complete.....	230,000	100,000
		Ridgetown—Public Building—To complete.....	230,000	150,000
		Scarborough—Postal Station "B"—To complete.....	250,000	225,000
		Schreiber—Public Building—Addition and alterations..	60,000	
		Sioux Lookout—Public Building—Addition and alterations.....	60,000	
		Stoney Creek—Public Building—Addition and alterations.....	50,000	
		Sturgeon Falls—Public Building—Addition and alterations—To complete.....	160,000	100,000
		Sudbury—Public Building—Alterations and Improvements.....	50,000	50,000
		Toronto—Building for Meteorological Branch, Department of Transport.....	1,000,000	
		Toronto—Postal Station "S"—To complete.....	400,000	200,000
		Uxbridge—Public Building—To complete.....	65,000	65,000
		Walkerton—Public Building.....	250,000	50,000
		Waterdown—Public Building.....	70,000	
		Wingham—Public Building.....	120,000	
		Woodbridge—Public Building—To complete.....	100,000	50,000
		Items not required for 1967-68.....		1,300,000
			7,635,000	4,010,000
		Expenditure		
		1964-65..... \$ 3,336,669		
		1965-66..... 2,859,579		
		1966-67 (estimated)..... 1,766,000		
		MANITOBA		
		Fort Churchill—Power plant improvements.....	375,000	
		Fort Churchill—Site development and improvements to buildings.....	600,000	600,000
		Fort Churchill—Water treatment plant and replacement of pipeline.....	550,000	
		Winnipeg—National Revenue Building—Addition, alterations and improvements.....	700,000	
		Winnipeg—Post Office Building—Improvements—To complete.....	450,000	200,000
			2,675,000	800,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15 (Continued)		
		MANITOBA (Continued)		
		Expenditure		
		1964-65.....	\$ 518,319	
		1965-66.....	299,900	
		1966-67 (estimated).....	1,531,000	
		SASKATCHEWAN		
		Esterhazy—Public Building—To complete.....	150,000	65,000
		Wynyard—Public Building—Addition and alterations..	75,000	
		Item not required for 1967-68.....		50,000
			225,000	115,000
		Expenditure		
		1964-65.....	\$ 62,857	
		1965-66.....	73,200	
		1966-67 (estimated).....	141,000	
		ALBERTA		
		Calgary—Public Building—Alterations.....	125,000	250,000
		Drumheller—Public Building—Alterations—To complete.....	50,000	50,000
		Red Deer—Public Building—Alterations and improvements—To complete.....	100,000	50,000
		Westlock—Public Building.....	200,000	
		Items not required for 1967-68.....		1,800,000
			475,000	2,150,000
		Expenditure		
		1964-65.....	\$ 1,712,317	
		1965-66.....	4,287,058	
		1966-67 (estimated).....	2,478,000	
		BRITISH COLUMBIA		
		Fort St. John—Public Building—Addition and alterations—To complete.....	75,000	125,000
		Kelowna—Public Building.....	300,000	100,000
		Osoyoos—Public Building—To complete.....	60,000	75,000
		Items not required for 1967-68.....		1,200,000
			435,000	1,500,000
		Expenditure		
		1964-65.....	\$ 402,728	
		1965-66.....	1,216,757	
		1966-67 (estimated).....	1,682,000	

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15 (Continued)		
		YUKON AND NORTHWEST TERRITORIES		
		Inuvik—Housing for Federal Government Employees..	2,000,000	150,000
		Northwest Highway System—Construction of Garages at Mile 635, 733 and 1083.....	330,000	
		Whitehorse—Improved Office and housing accommoda- tion—To complete.....	200,000	300,000
		Items not required for 1967-68.....		525,000
			2,530,000	975,000
		Expenditure		
		1964-65..... \$ 963,162		
		1965-66..... 179,280		
		1966-67 (estimated)..... 1,270,000		
		OUTSIDE CANADA		
		Items not required for 1967-68.....		500,000
		Expenditure		
		1964-65..... \$ 51,690		
		1965-66..... 659,211		
		1966-67 (estimated)..... 390,000		
		IMPROVEMENTS GENERALLY		
		Ottawa.....	600,000	300,000
		Other than Ottawa.....	900,000	600,000
			1,500,000	900,000
		Expenditure		
		1964-65..... \$ 1,001,851		
		1965-66..... 1,306,460		
		1966-67 (estimated)..... 2,800,000		
		ADVANCE PLANNING OF PROJECTS INCLUDING ACQUISITION OF SITES.....	2,400,000	1,000,000
		Expenditure		
		1964-65..... \$ 1,680,802		
		1965-66..... 221,177		
		1966-67 (estimated)..... 1,300,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ACCOMMODATION SERVICES (Continued)		
		Vote 15 (Continued)		
		BALANCES REQUIRED TO COMPLETE ANY PROJECTS UNDERTAKEN IN PREVIOUS FISCAL YEARS AND FOR WHICH NO SPECIFIC PROVISION IS MADE IN THE FISCAL YEAR 1967-68.....	700,000	500,000
		Expenditure		
		1964-65..... \$ 859,061		
		1965-66..... 676,262		
		1966-67 (estimated)..... 900,000		
		MISCELLANEOUS WORKS NOT OTHERWISE PROVIDED FOR INCLUDING EXPENDITURES ON WORKS ON OTHER THAN FEDERAL PROPERTY.....	3,025,000	2,300,000
		Expenditure		
		1964-65..... \$ 3,874,557		
		1965-66..... 3,108,412		
		1966-67 (estimated)..... 1,865,000		
		Gross Total, Vote 15.....	48,165,000	33,900,000
		Less—Anticipated Lapses.....		1,649,999
		Net Total, Vote 15..... (13)	48,165,000	32,250,001
		Expenditure		
		1964-65..... \$ 30,209,994		
		1965-66..... 34,025,002		
		1966-67 (estimated)..... 31,503,000		
		HARBOURS AND RIVERS ENGINEERING SERVICES		
		Vote 20—Operation and Maintenance		
		REMEDIAL WORKS WHERE DAMAGES ARE CAUSED BY, OR ENDANGER, NAVIGATION OR FEDERAL GOVERNMENT STRUCTURES		
		Repairs and Upkeep..... (14)	190,000	190,000
		Contributions..... (20)	150,000	150,000
			340,000	340,000
		Expenditure		
		1964-65..... \$ 252,646		
		1965-66..... 330,163		
		1966-67 (estimated)..... 195,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 20 (Continued)		
		REPAIRS AND UPKEEP, INCLUDING RECONSTRUCTION AND REPLACEMENTS FOR THE MAINTENANCE OF SERVICES; NO NEW WORKS TO BE UNDERTAKEN		
		Repairs and Upkeep of Harbour and River Works.. (14)	4,000,000	3,500,000
		Expenditure		
		1964-65..... \$ 3,471,759		
		1965-66..... 3,539,734		
		1966-67 (estimated)..... 3,600,000		
		DREDGING—MAINTENANCE AND OPERATION OF PLANT		
		Salaried Positions:		
3	3	Technical, Operational and Service: (\$4,000-\$6,000)		
6	6	Prevailing Rate Positions:		
2	2	(Full Time)		
		(Seasonal)		
216	216	Ships' Officers and Crews:		
157	157	(Full Time)		
		(Seasonal)		
384	384	Continuing Establishment.....	1,376,000	1,265,000
(344)	(344)	Casuals and Others.....	65,000	55,000
(18)	(18)			
(362)	(362)	Salaries and Wages..... (1)	1,441,000	1,320,000
		Overtime..... (1)	253,000	230,000
		Subsistence Allowance..... (2)	172,000	165,000
		Professional and Special Services..... (4)	2,600	2,600
		Travelling and Removal Expenses..... (5)	15,500	17,500
		Freight, Express and Cartage..... (6)	12,000	14,000
		Telephones and Telegrams..... (8)	400	400
		Materials and Supplies..... (12)	398,000	375,000
		Rental of Lands and Buildings..... (15)	500	2,500
		Repairs and Upkeep of Equipment..... (17)	440,000	400,000
		Rental of Equipment..... (18)	62,000	65,000
		Municipal or Public Utility Services..... (19)	14,000	15,000
		Unemployment Insurance and other Personal Benefits..... (21)	1,000	1,000
		Sundries..... (22)	9,000	9,000
			2,821,000	2,617,000
		(Further Details)		
		Newfoundland.....	459,295	448,445
		Nova Scotia.....	111,160	70,325
		Prince Edward Island.....	348,394	311,073
		New Brunswick.....	96,981	150,805
		Quebec.....	384,428	319,966
		Manitoba and Southern Saskatchewan.....	267,163	241,252

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 20 (Continued)		
		DREDGING—MAINTENANCE AND OPERATION OF PLANT (Continued)		
		(Further Details) (Continued)		
		Alberta, Northwest Territories and Northern Saskatchewan.....	313,828	312,308
		British Columbia and Yukon Territory.....	839,751	762,826
			2,821,000	2,617,000
		Expenditure Revenue		
		1964-65..... \$ 2,493,716 \$ 64,887		
		1965-66..... 2,721,413 69,129		
		1966-67 (estimated)..... 2,775,000 60,000		
		MAINTENANCE AND OPERATION OF GRAVING DOCKS, LOCKS AND DAMS		
		Salaried Positions:		
2	2	Administrative and Foreign Service: (\$8,000-\$10,000)		
1	1	Technical, Operational and Service: (\$8,000-\$10,000)		
4	4	(\$6,000-\$8,000)		
61	61	(\$4,000-\$6,000)		
11	11	(Under \$4,000)		
2	2	Administrative Support: (\$4,000-\$6,000)		
4	4	Prevailing Rate Positions: (Full Time)		
85	85	Continuing Establishment.....	437,000	421,000
(85)	(85)	Casuals and Others.....	5,000	6,000
(2)	(2)			
(87)	(87)	Salaries and Wages.....(1)	442,000	427,000
		Overtime.....(1)	22,500	17,100
		Allowances.....(2)	300	800
		Professional and Special Services.....(4)	17,600	13,200
		Travelling and Removal Expenses.....(5)	500	500
		Freight, Express and Cartage.....(6)	600	600
		Telephones and Telegrams.....(8)	2,800	2,800
		Materials and Supplies.....(12)	45,725	42,800
		Repairs and Upkeep of Docks, Locks and Dams and Appurtenant Works, including Materials re- quired therefor.....(14)	100,175	251,700
		Repairs and Upkeep of Equipment.....(17)	18,800	57,300
		Municipal or Public Utility Services.....(19)	66,500	63,700
		Unemployment Insurance Contributions.....(21)	100	100
		Canada's Share of the cost of the Okanagan Flood Control System.....(22)	45,000	45,000
		Sundries.....(22)	400	400
			763,000	923,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 20 (Continued)		
		MAINTENANCE AND OPERATION (Continued)		
		(Further Details)		
		Graving Docks		
		Champlain, Quebec.....	184,952	256,105
		Lorne, Quebec.....	126,965	182,540
		Selkirk Repair Slip, Manitoba.....	1,328	8,500
		Esquimalt, British Columbia.....	223,130	252,170
		Locks and Dams		
		Quinze Dam, Quebec.....	27,005	24,595
		Latchford Dam, Ontario.....	400	1,225
		Temiskaming Dams, Ontario.....	28,205	30,235
		French River Dams, Ontario.....	41,790	41,705
		St. Andrew's Lock and Dam, Manitoba.....	74,225	70,925
		Okanagan Flood Control Project.....	45,000	45,000
		Generally.....	10,000	10,000
			763,000	923,000
		Expenditure Revenue		
		1964-65..... \$ 729,432 \$ 465,965		
		1965-66..... 791,110 459,117		
		1966-67 (estimated)..... 892,000 450,000		
		Total, Vote 20.....	7,924,000	7,380,000
		Expenditure Revenue		
		1964-65..... \$ 6,947,553 \$ 530,852		
		1965-66..... 7,382,420 528,246		
		1966-67 (estimated)..... 7,462,000 510,000		
		Vote 25—Construction or Acquisition of Equipment		
		DREDGING—CONSTRUCTION OR ACQUISITION OF EQUIPMENT		
		Plant and Related Equipment.....	173,500	390,000
		Tools and Miscellaneous Equipment.....	47,500	50,000
		(16)	221,000	440,000
		(Further Details)		
		Newfoundland.....	62,500	283,000
		Nova Scotia.....	1,000	500
		Prince Edward Island.....	5,000	16,000
		New Brunswick.....	2,500	12,100
		Quebec.....	78,500	4,200
		Manitoba and Southern Saskatchewan.....	58,000	46,200

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 25 (Continued)		
		DREDGING—CONSTRUCTION OR ACQUISITION OF EQUIPMENT (Continued)		
		(Further Details)		
		Alberta, Northern Saskatchewan and Northwest Ter- ritories.....	8,000	25,000
		British Columbia and Yukon Territory.....	5,500	53,000
			221,000	440,000
		Expenditure		
		1964-65..... \$ 678,508		
		1965-66..... 509,521		
		1966-67 (estimated)..... 263,000		
		GRAVING DOCKS, LOCKS AND DAMS—CONSTRUC- TION OR ACQUISITION OF BUILDINGS, WORKS, LAND AND EQUIPMENT		
		Construction or Acquisition of Buildings, Works and Land..... (13)	694,000	600,000
		Acquisition of Equipment..... (16)	10,000	10,000
			704,000	610,000
		Graving Docks		
		Champlain, Quebec.....	2,000	2,000
		Lorne, Quebec.....	500	500
		Selkirk Repair Slip, Manitoba.....	300,000	
		Esquimalt, British Columbia.....	1,000	500
		Locks and Dams		
		Quinze Dam, Quebec.....	5,000	5,700
		Latchford Dam, Ontario.....	1,500	
		Temiskaming Dams, Ontario and Quebec.....	300,000	600,600
		French River Dams, Ontario.....		700
		St. Andrew's Lock and Dam, Manitoba.....	94,000	
			704,000	610,000
		Expenditure		
		1964-65..... \$ 55,734		
		1965-66..... 5,123		
		1966-67 (estimated)..... 780,000		
		Total, Vote 25.....	925,000	1,050,000
		Expenditure		
		1964-65..... \$ 734,242		
		1965-66..... 514,644		
		1966-67 (estimated)..... 1,043,000		

PUBLIC WORKS

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Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
A—DEPARTMENT (Continued)				
HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)				
Vote 30—Construction, acquisition, major repairs and improvements of, and plans and sites for harbour and river works (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the Details of Estimates				
NEWFOUNDLAND				
		Aspen Cove—Breakwater reconstruction—To complete	75,000	50,000
		Benoit's Cove—Wharf reconstruction.....	50,000	
		Bonavista—Breakwater extension.....	150,000	
		Botwood—Wharf and shed—To complete.....	100,000	400,000
		Chance Cove—Wharf reconstruction.....	75,000	
		Ferryland—Harbour improvements.....	65,000	
		Fogo (Seal Cove)—Wharf reconstruction and improvements—To complete.....	120,000	160,000
		Fortune—Towards harbour improvements.....	500,000	325,000
		Grand Bank—Towards wharf reconstruction.....	300,000	350,000
		Green Island Brook—Breakwater—To complete.....	75,000	125,000
		Green Island Cove—Breakwater extension.....	55,000	
		Hants Harbour—Harbour improvements.....	175,000	
		Harbour Grace—Wharf extension—Federal Government's share of cost.....	80,000	80,000
		Heart's Content—Wharf replacement—To complete....	60,000	195,000
		Heart's Delight—Wharf replacement.....	80,000	
		Long Harbour—Towards wharf facilities.....	1,500,000	
		Nipper's Harbour—Wharf replacement.....	100,000	
		O'Donnell's—Harbour improvements.....	180,000	
		Pass Island—Wharf reconstruction and extension.....	65,000	
		Petty Harbour—Towards harbour improvements.....	200,000	
		Plate Cove West—Wharf replacement—To complete....	75,000	100,000
		Quirpon—Wharf reconstruction.....	70,000	
		Rose Blanche—Wharf extension.....	80,000	
		St. John's—Harbour improvements—To complete.....	300,000	300,000
		Wolf Cove—Wharf—To complete.....	300,000	100,000
		Items not required for 1967-68.....		2,040,000
			4,830,000	4,225,000
Expenditure				
		1964-65.....	\$ 3,599,635	
		1965-66.....	3,552,981	
		1966-67 (estimated).....	3,977,000	
NOVA SCOTIA				
		Camp Cove—Breakwater.....	110,000	
		Canso—Harbour improvements—Federal Government's share of cost—To complete.....	50,000	300,000
		Country Harbour—Wharf.....	140,000	
		Digby—Towards harbour improvements.....	225,000	200,000
		Fourchu—Breakwater repairs.....	85,000	55,000
		Little River (Digby)—Harbour improvements.....	175,000	

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
A—DEPARTMENT (Continued)				
HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)				
Vote 30 (Continued)				
NOVA SCOTIA (Continued)				
		Lockeport—Harbour improvements—To complete.....	250,000	100,000
		Parrsboro—Breakwater repairs.....	70,000	
		Port Maitland—Breakwater repairs.....	125,000	
		Pugwash—Harbour repairs and improvements.....	195,000	
		St. Peter's—Towards harbour improvements.....	200,000	
		Sonora—Wharf repairs.....	55,000	
		Sydney (South Bar)—Groynes.....	55,000	
		Three Fathom Harbour—Dredging.....	60,000	
		Yarmouth—Harbour improvements.....	225,000	150,000
		Items not required for 1967-68.....		2,345,000
			2,020,000	3,150,000
		Expenditure		
		1964-65..... \$ 2,096,528		
		1965-66..... 3,840,613		
		1966-67 (estimated)..... 3,143,000		
PRINCE EDWARD ISLAND				
		Rice Point—Landing.....	85,000	
		Souris—Harbour improvements—To complete.....	90,000	220,000
		Summerside—Harbour repairs and improvements.....	95,000	
		Wood Islands—Harbour repairs and improvements.....	190,000	
		Items not required for 1967-68.....		370,000
			460,000	590,000
		Expenditure		
		1964-65..... \$ 280,120		
		1965-66..... 538,605		
		1966-67 (estimated)..... 291,000		
NEW BRUNSWICK				
		Bathurst—Dredging.....	80,000	105,000
		Beaver Harbour—Breakwater-Wharf—To complete.....	200,000	250,000
		Belledune Point—Towards harbour development.....	2,000,000	1,500,000
		Campbellton—Dredging.....	50,000	80,000
		Dalhousie—Dredging.....	50,000	
		Dipper Harbour—Harbour repairs and improvements.....	150,000	
		Escuminac—Harbour improvements—To complete.....	160,000	600,000
		Lameque—Harbour improvements—To complete.....	260,000	200,000
		Lower Caraqueet—Wharf extension—To complete.....	500,000	
		Lower St. Louis—Wharf extension.....	75,000	
		Newcastle—Harbour improvements—To complete.....	600,000	250,000
		Point Sapin—Towards harbour improvements.....	300,000	
		Saint John (Courtenay Bay)—Dredging.....	550,000	500,000
		Sand Point—Wharf—Federal Government's share of cost—To complete.....	250,000	100,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 30 (Continued)		
		NEW BRUNSWICK (Continued)		
		Shippegan Gully—Reconstruction of breakwater—To complete.....	200,000	260,000
		Items not required for 1967-68.....		1,025,000
			5,425,000	4,870,000
		Expenditure		
		1964-65..... \$ 2,154,280		
		1965-66..... 3,467,955		
		1966-67 (estimated)..... 4,611,000		
		QUEBEC		
		Baie Comeau—Harbour repairs and improvements.....	80,000	75,000
		Baie des Sables—Wharf repairs.....	60,000	
		Cap-aux-Meules—Wharf repairs.....	70,000	
		Cap de la Madeleine (Ste Marthe)—Retaining Wall.....	60,000	
		Carleton—Wharf repairs and extension—To complete....	95,000	60,000
		Champlain—Retaining wall.....	100,000	60,000
		Gros Cacouna—Towards harbour development.....	2,000,000	1,000,000
		Havre Aubert—Shed—To complete.....	80,000	80,000
		Matane—Towards harbour improvements.....	2,000,000	1,500,000
		Mingan—Wharf reconstruction.....	200,000	
		Paspebiac—Harbour improvements—To complete.....	600,000	200,000
		Riviere-au-Renard—Towards harbour improvements....	400,000	200,000
		Ste Anne de Sorel—Retaining wall.....	60,000	
		Sept Iles—Harbour repairs and improvements.....	65,000	100,000
		Sillery—Breakwater and dredging—To complete.....	75,000	
		Tadoussac (Anse a L'Eau)—Wharf repairs—To complete	100,000	100,000
		Tracy—Retaining wall.....	55,000	90,000
		Varennes—Retaining wall.....	80,000	75,000
		Vercheres—Retaining wall.....	75,000	85,000
		Items not required for 1967-68.....		3,050,000
			6,255,000	6,675,000
		Expenditure		
		1964-65..... \$ 4,521,741		
		1965-66..... 5,343,896		
		1966-67 (estimated)..... 4,885,000		
		ONTARIO		
		Bayfield—Harbour repairs and improvements—To com- plete.....	75,000	110,000
		Burlington Channel—Harbour repairs and improvements	150,000	310,000
		Cobourg—Harbour repairs and improvements.....	190,000	125,000
		Goderich—Harbour repairs and improvements.....	400,000	130,000
		Kincardine—Reconstruction of pier.....	160,000	65,000
		Kingston (Crawford Dock)—Wharf improvements—To complete.....	100,000	130,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 30 (Continued)		
		ONTARIO (Continued)		
		Kingsville—Dredging.....	60,000	
		Lakehead—Harbour repairs and improvements.....	900,000	400,000
		Oshawa—Harbour repairs and improvements.....	65,000	120,000
		Parry Sound—Harbour repairs and improvements.....	160,000	180,000
		Port Burwell—Harbour repairs and improvements.....	340,000	330,000
		Port Dover—Towards harbour improvements.....	400,000	100,000
		Port Hope—Harbour repairs and improvements.....	80,000	
		Port Stanley—Harbour repairs and improvements.....	300,000	500,000
		Sarnia—Towards harbour improvements.....	260,000	170,000
		Sturgeon Creek (Leamington)—Towards breakwaters and dredging.....	100,000	
		Trenton—Wharf repairs.....	70,000	
		Wheatley—Protection Work—Federal Government's share of cost.....	100,000	
		Wheatley—Wharf reconstruction.....	75,000	
		Wolfe Island (Marysville)—Wharf reconstruction.....	130,000	
		Items not required for 1967-68.....		2,200,000
			4,115,000	4,870,000
		Expenditure		
		1964-65..... \$ 3,710,735		
		1965-66..... 4,393,464		
		1966-67 (estimated)..... 5,052,000		
		MANITOBA AND SASKATCHEWAN		
		Arnes, Manitoba—Wharf reconstruction.....	50,000	
		Winnipeg Beach, Manitoba—Towards Harbour recon- struction.....	200,000	
			250,000	
		Expenditure		
		1964-65..... \$ 110,372		
		1965-66..... 41,679		
		1966-67 (estimated).....		
		ALBERTA AND NORTHWEST TERRITORIES		
		Great Bear River (Portage) N.W.T.—Harbour repairs and improvements.....	60,000	
		Items not required for 1967-68.....		100,000
			60,000	100,000
		Expenditure		
		1964-65..... \$ 79,138		
		1965-66..... 85,220		
		1966-67 (estimated)..... 140,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 30 (Continued)		
		BRITISH COLUMBIA		
		Ahousat—Wharf reconstruction.....	60,000	
		Courtenay—Harbour repairs and improvements.....	80,000	
		Fraser River—Improvements.....	1,600,000	1,060,000
		Horseshoe Bay—Breakwater—Federal Government's share of cost—To complete.....	50,000	100,000
		Kitimat Mission—Harbour improvements.....	145,000	
		Louise Channel—Dredging—Federal Government's share of cost.....	50,000	
		Lund—Wharf reconstruction.....	60,000	
		Masset (Delkatla Slough)—Harbour repairs and im- provements.....	175,000	
		New Westminster—Stores yard relocation.....	400,000	100,000
		Port Alberni—Wharf repairs—Federal Government's share of cost.....	150,000	
		Port Simpson—Boat Harbour—To complete.....	80,000	250,000
		Powell River—Harbour repairs.....	165,000	
		Sechelt—Boat Harbour.....	220,000	215,000
		Shoal Bay—Wharf repairs.....	85,000	
		Items not required for 1967-68.....		1,425,000
			3,320,000	3,150,000
		Expenditure		
		1964-65..... \$ 2,767,226		
		1965-66..... 2,115,985		
		1966-67 (estimated)..... 3,190,000		
		REMEDIAL WORKS WHERE DAMAGES ARE CAUSED BY, OR ENDANGER NAVIGATION OR FEDERAL GOV- ERNMENT STRUCTURES		
		Construction.....	350,000	500,000
		Expenditure		
		1964-65..... \$ 375,396		
		1965-66..... 239,307		
		1966-67 (estimated)..... 350,000		
		DREDGING—CONTRACT AND DAY LABOUR WORK	1,200,000	1,100,000
		Expenditure		
		1964-65..... \$ 1,010,930		
		1965-66..... 1,037,149		
		1966-67 (estimated)..... 1,100,000		
		ADVANCE PLANNING OF PROJECTS INCLUDING ACQUISITION OF SITES.....	350,000	250,000
		Expenditure		
		1964-65..... \$ 246,519		
		1965-66..... 367,974		
		1966-67 (estimated)..... 451,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		HARBOURS AND RIVERS ENGINEERING SERVICES (Continued)		
		Vote 30 (Continued)		
		BALANCES REQUIRED TO COMPLETE ANY PROJECTS UNDERTAKEN IN PREVIOUS FISCAL YEARS AND FOR WHICH NO SPECIFIC PROVISION IS MADE IN THE FISCAL YEAR 1967-68	800,000	800,000
		Expenditure		
		1964-65..... \$ 531,495		
		1965-66..... 975,527		
		1966-67 (estimated)..... 943,000		
		MISCELLANEOUS WORKS NOT OTHERWISE PROVIDED FOR INCLUDING EXPENDITURES ON WORKS ON OTHER THAN FEDERAL PROPERTY.....	1,995,000	1,800,000
		Expenditure		
		1964-65..... \$ 1,036,886		
		1965-66..... 1,321,646		
		1966-67 (estimated)..... 1,367,000		
		Total, Vote 30..... (13)	31,430,000	32,080,000
		Expenditure		
		1964-65..... \$ 22,521,001		
		1965-66..... 27,322,001		
		1966-67 (estimated)..... 29,500,000		
		Statutory—Dry Dock Subsidies—Canadian Vickers Limited, Montreal..... (20)	180,000	180,000
		Expenditure		
		1964-65..... \$ 90,000		
		1965-66..... 180,000		
		1966-67 (estimated)..... 180,000		
		ROADS, BRIDGES AND OTHER ENGINEERING SERVICES		
		Vote 35—Operation and maintenance including authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the operating expenses of the New Westminster Bridge		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		(\$12,000-\$14,000)		
1	2	(\$10,000-\$12,000)		
1	1	(\$8,000-\$10,000)		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ROADS, BRIDGES AND OTHER ENGINEERING SERVICES (Continued)		
		Vote 35 (Continued)		
		Salaried Positions: (Continued)		
		Technical, Operational and Service:		
1		(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
4	3	(\$8,000-\$10,000)		
16	19	(\$6,000-\$8,000)		
21	21	(\$4,000-\$6,000)		
6	6	(Under \$4,000)		
1	1	(Part Time)		
9	9	(Seasonal)		
		Administrative Support:		
13	9	(\$4,000-\$6,000)		
3	9	(Under \$4,000)		
		Prevailing Rate Positions:		
		(Full Time)		
218	238			
295	319			
(292)	(316)	Continuing Establishment.....	1,235,000	1,526,400
(7)	(4)	Casuals and Others.....	26,000	15,600
(299)	(320)			
		Salaries and Wages.....(1)	1,261,000	1,542,000
		Overtime.....(1)	62,000	62,000
		Allowances.....(2)	230,000	300,000
		Professional and Special Services.....(4)	14,000	15,000
		Travelling and Removal Expenses.....(5)	70,000	44,000
		Freight, Express and Cartage.....(6)	26,000	21,000
		Telephones and Telegrams.....(8)	900	900
		Materials and Supplies.....(12)	659,100	823,500
		Repairs and Upkeep of Roads and Bridges.....(14)	3,813,000	2,136,100
		Acquisition of Equipment.....(16)	204,000	327,900
		Repairs and Upkeep of Equipment.....(17)	631,000	825,200
		Municipal or Public Utility Services.....(19)	13,000	13,000
		Unemployment Insurance Contributions.....(21)	9,000	14,700
		Sundries.....(22)	5,100	5,100
			6,998,100	6,130,400
		Less—Operating expenses of the New Westminster Bridge recoverable from the trust account which is credited with income from the operation of the Bridge.....(34)	97,100	87,400
			6,901,000	6,043,000
		(Further Details)		
		Burlington Canal Bridge.....	94,800	84,100
		Kingston, LaSalle Causeway.....	36,200	36,400
		New Westminster Bridge.....	97,100	87,400
		Bridges Generally.....	208,250	170,350
		Northwest Highway System.....	6,561,750	5,752,150
			6,998,100	6,130,400
		Less—Operating expenses of the New Westminster Bridge recoverable from the trust account which is credited with income from the operation of the Bridge.....	97,100	87,400
			6,901,000	6,043,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ROADS, BRIDGES AND OTHER ENGINEERING SERVICES (Continued)		
		Vote 35 (Continued)		
		Expenditure Revenue		
		1964-65..... \$ 8,990,493 \$ 119,567		
		1965-66..... 5,522,307 182,592		
		1966-67 (estimated)..... 6,043,000 210,000		
		Vote 40—Construction, acquisition, major repairs and improvements of, and plans and sites for, the roads, bridges and other engineering works listed in the Details of Estimates, provided that the amounts within the vote to be expended on individually listed projects may be increased or decreased subject to the approval of Treasury Board		
		TOWARDS FEDERAL SHARE OF THE COST OF INTER- NATIONAL AND INTERPROVINCIAL BRIDGES, AND THE COST OF OTHER PROJECTS		
		Towards Federal Government's share of the cost of roads and bridges in Ottawa.....	100,000	825,000
		Towards the cost of planning and constructing a causeway and associated structures across Northumberland Strait.....	15,000,000	10,000,000
		Towards Federal Government's share of the cost of reconstructing the Calumet-Bryson Bridge, Quebec.....	250,000	250,000
		To complete Federal Government's share of the cost of reconstructing the Portage du Fort Bridge, Quebec.....	150,000	400,000
		Towards Federal Government's share of the cost of constructing Highway No. 6 in the Counties of Matane and Gaspé North, Quebec.....	3,000,000	3,500,000
		Northwest Highway System—Reconstruction of bridges	1,000,900	700,000
		Paving the Alaska Highway through Fort Nelson, B.C.	165,000	
		Towards the cost of increasing the vertical clearance at the Kingston LaSalle Causeway.....	100,000	
		Items not required for 1967-68.....		900,000
		(13)	19,765,000	16,575,000
		Expenditure		
		1964-65..... \$ 2,169,596		
		1965-66..... 4,430,527		
		1966-67 (estimated)..... 6,953,000		
		ADVANCE PLANNING, BALANCES REQUIRED TO COMPLETE PROJECTS UNDERTAKEN IN PREVIOUS YEARS FOR WHICH NO SPECIFIC PROVISION IS MADE IN 1967-68 AND MISCELLANEOUS WORKS..... (13)	200,000	200,000
		Expenditure		
		1964-65..... \$ 235,779		
		1965-66..... 362,286		
		1966-67 (estimated)..... 120,000		

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		ROADS, BRIDGES AND OTHER ENGINEERING SERVICES (Continued)		
		Vote 40 (Continued)		
		Gross Total, Vote 40.....	19,965,000	16,775,000
		Less—Anticipated Lapses.....		99,999
		Net total, Vote 40.....	19,965,000	16,675,001
		Expenditure		
		1964-65..... \$ 2,405,375		
		1965-66..... 4,792,813		
		1966-67 (estimated)..... 7,073,000		
		Statutory—Trans-Canada Highway—Contri- butions to the Provinces under terms of the Trans-Canada Highway Act (Chap. 269, R.S., as amended)..... (31)	60,000,000	70,600,000
		Expenditure		
		1964-65..... \$ 76,085,112		
		1965-66..... 83,422,828		
		1966-67 (estimated)..... 78,000,000		
		Vote 50—Trans-Canada Highway—Construc- tion through National Parks..... (13)	1,860,000	1,175,000
		Expenditure		
		1964-65..... \$ 195,421		
		1965-66..... 259,732		
		1966-67 (estimated)..... 543,000		
		TESTING LABORATORIES		
		Vote 55—Operation and Maintenance		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1		(\$14,000-\$16,000)		
5	1	(\$12,000-\$14,000)		
6	11	(\$10,000-\$12,000)		
12	8	(\$8,000-\$10,000)		
	4	(\$6,000-\$8,000)		
		Administrative and Foreign Service:		
1	1	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
2	1	(\$8,000-\$10,000)		
49	35	(\$6,000-\$8,000)		
44	59	(\$4,000-\$6,000)		
1	1	(Under \$4,000)		
		Administrative Support:		
1		(\$6,000-\$8,000)		
11	10	(\$4,000-\$6,000)		
6	8	(Under \$4,000)		
139	139	Continuing Establishment.....	803,000	773,000
(139)	(139)	Casuals and Others.....	170,000	164,000
(48)	(40)			

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		A—DEPARTMENT (Continued)		
		TESTING LABORATORIES (Continued)		
		Vote 55 (Continued)		
(187)	(179)	Salaries and Wages (including \$16,000 allotted during 1966-67 from the Finance Contingencies Vote for increases in rates of pay).....(1)	973,000	937,000
		Professional and Special Services.....(4)	1,500	1,000
		Travelling and Removal Expenses.....(5)	45,000	45,000
		Freight, Express and Cartage.....(6)	12,000	15,000
		Telephones and Telegrams.....(8)	7,500	5,800
		Publication of Departmental Reports and Other Material.....(9)	120	120
		Office Stationery, Supplies and Equipment.....(11)	13,280	13,280
		Materials and Supplies.....(12)	131,000	133,275
		Rental of Storage Space.....(15)	400	400
		Acquisition of Equipment.....(16)	67,200	57,925
		Repairs and Upkeep of Equipment.....(17)	20,000	22,000
		Rental of Equipment.....(18)	30,000	26,500
		Membership Fees.....(20)	400	400
		Unemployment Insurance Contributions.....(21)	2,000	2,000
		Sundries.....(22)	300	300
			1,303,700	1,260,000
		Expenditure		
		1964-65.....\$ 1,043,125		
		1965-66.....1,114,681		
		1966-67 (estimated).....1,200,000		
		B—NATIONAL CAPITAL COMMISSION		
		Vote 60—Operation and Maintenance, General Administration and interest charges on outstanding loans that were made for the purpose of acquiring property in the National Capital Region		
		OPERATION AND MAINTENANCE OF PARKS, PARKWAYS AND GROUNDS ADJOINING GOVERNMENT BUILDINGS AT OTTAWA AND HULL, MAINTENANCE OF OTHER PROPERTIES AND GENERAL ADMINISTRATION		
		Planning and Administration.....	1,217,000	704,070
		Operations and Maintenance.....	3,237,000	2,880,930
		Employee Benefits—Superannuation, Workmen's Compensation and Medical—Surgical Plan.....	216,000	168,000
		Grants in lieu of taxes to local municipalities pursuant to section 15 of the National Capital Act.....	390,000	300,000
		Operating and office equipment.....	130,000	179,000
		(22)	5,190,000	4,232,000
		Less—Estimated revenues from the sales of supplies, etc., rental of equipment and from services rendered.....(34)	210,000	230,000
			4,980,000	4,002,000

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		B—NATIONAL CAPITAL COMMISSION (Continued)		
		Vote 60 (Continued)		
		OPERATIONS OF THE COMMISSION (Continued)		
		Expenditure Revenue		
		1964-65..... \$ 3,628,064 \$ 237,686		
		1965-66..... 3,968,633 187,991		
		1966-67 (estimated)..... 4,915,000 200,000		
		INTEREST CHARGES ON OUTSTANDING LOANS THAT WERE MADE FOR THE PURPOSE OF ACQUIRING PROPERTY IN THE NATIONAL CAPITAL REGION		
		Interest charges..... (22)	3,979,000	3,920,000
		Less—Estimated revenues from the rental of prop- erties and interest income..... (34)	500,000	590,000
			3,479,000	3,330,000
		Expenditure Revenue		
		1964-65..... \$ 2,857,664 \$ 393,611		
		1965-66..... 3,253,842 513,373		
		1966-67 (estimated)..... 3,800,000 500,000		
		Total, Vote 60.....	8,450,000	7,332,000
		Expenditure Revenue		
		1964-65..... \$ 6,485,728 \$ 631,297		
		1965-66..... 7,222,475 701,364		
		1966-67 (estimated)..... 8,715,000 700,000		
		Vote 65—Payment to the National Capital Fund (22)	14,650,000	25,000,000
		Expenditure		
		1964-65..... \$ 9,735,930		
		1965-66..... 13,446,064		
		1966-67 (estimated)..... 25,829,000		
		(Personnel Establishment Details)		
1	1	Chairman		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		General Manager		
1	1	Senior Officer 2 (\$18,500-\$22,750)		
2	2	Senior Officer 1 (\$16,500-\$20,500)		
5	5	Administrative and Foreign Service:		
		(\$16,000-\$18,000)		
3		(\$14,000-\$16,000)		
16	1	(\$12,000-\$14,000)		
13	11	(\$10,000-\$12,000)		
7	9	(\$8,000-\$10,000)		
8	3	(\$6,000-\$8,000)		
5	4			

Positions (man-years)		Details of Services	Amount	
1967-68	1966-67		1967-68	1966-67
			\$	\$
		B—NATIONAL CAPITAL COMMISSION (Continued)		
		Vote 65 (Continued)		
		Salaried Positions: (Continued)		
		Technical, Operational and Service:		
1		(\$14,000-\$16,000)		
4		(\$12,000-\$14,000)		
3	1	(\$10,000-\$12,000)		
6	9	(\$8,000-\$10,000)		
34	20	(\$6,000-\$8,000)		
36	39	(\$4,000-\$6,000)		
1	1	(Under \$4,000)		
		Administrative Support:		
12	2	(\$6,000-\$8,000)		
41	33	(\$4,000-\$6,000)		
5	20	(Under \$4,000)		
424	427	Prevailing Rate Positions:		
190	225	(Full Time)		
		(Seasonal)		
818	814	Continuing Establishment Casuals and Others		
(723)	(701)			
(12)	(43)			
(735)	(744)			

LOANS, INVESTMENTS AND ADVANCES

593

No. of Vote	Service	1967-68	1966-67	Change	
				Increase	Decrease
		\$	\$	\$	\$
	PUBLIC WORKS				
	National Capital Commission				
L85	Loans to the National Capital Commission in accordance with section 16 of the National Capital Act for the purpose of acquiring property in the National Capital Region, excluding property being acquired for the purpose of establishing what is commonly referred to as the "Greenbelt"	4,850,000	11,700,000	6,850,000
L90	Loans to the National Capital Commission in the current and subsequent fiscal years in accordance with section 16 of the National Capital Act for the purpose of acquiring property in that area of the National Capital Region commonly referred to as the "Greenbelt"	2,000,000	1,900,000	100,000	
		6,850,000	13,600,000	6,750,000

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations
and/or a translation into English of the French.

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Translated by the General Bureau for Trans-
lation, Secretary of State.

LÉON-J. RAYMOND,
The Clerk of the House.

HOUSE OF COMMONS

Second Session—Twenty-seventh Parliament

1967

STANDING COMMITTEE

ON

Housing, Urban Development
and Public Works

Chairman: Mr. ROSAIRE GENDRON

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

THURSDAY, JUNE 15, 1967

TUESDAY, JUNE 20, 1967

RESPECTING

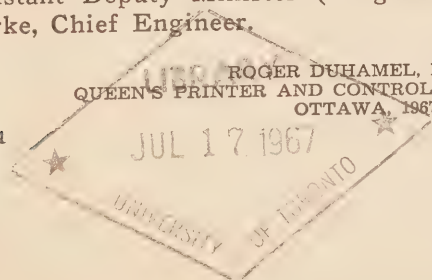
Main Estimates for 1967-68, relating to the Department
of Public Works.

The Honourable George McIlraith, Minister of Public Works
and

WITNESSES:

From the Department of Public Works: Mr. Lucien Lalonde, Deputy Minister; Mr. G. B. Williams, Senior Assistant Deputy Minister (Operations); Mr. L. V. McGurran, Director of Financial Services; Mr. Charles J. Helmes, Officer-in-charge, Departmental Estimates; Mr. J. A. Langford, Assistant Deputy Minister (Design); Mr. R. B. Whiting, Assistant Deputy Minister (Programme Planning); and Mr. G. T. Clarke, Chief Engineer.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1967



STANDING COMMITTEE ON HOUSING, URBAN DEVELOPMENT
AND PUBLIC WORKS

Chairman: Mr. Rosaire Gendron

Vice-Chairman: Mr. Warren Allmand

and

Mr. Badanai,	³ Mr. Isabelle,	Mr. Neveu,
Mr. Bell (<i>Saint John-</i>	⁴ Mr. Leblanc (<i>Laurier</i>),	⁵ Mr. Ouellet,
<i>Albert</i>),	Mr. Loiselle,	Mr. Pelletier,
¹ Mr. Bower,	Mr. Loney,	⁶ Mr. Pugh,
² Mr. Caron,	Mr. MacDonald (<i>Prince</i>),	Mr. Ricard,
Mr. Gauthier,	Mr. Macquarrie,	Mr. Stewart,
Mr. Gilbert,	Mr. Martin (<i>Timmins</i>),	Mr. Watson (<i>Assiniboia</i>),
Mr. Gray,	Mr. Mongrain,	—24.

(Quorum 13)

Gabrielle Savard,
Clerk of the Committee.

¹Replaced Mr. Keays on June 16.

²Replaced Mr. Duquet on June 16

³Replaced Mr. Cashin on June 16

⁴Replaced Mr. Macaluso on June 16

⁵Replaced Mr. Ryan on June 16

⁶Replaced Mr. Chatterton on June 16

ORDERS OF REFERENCE

THURSDAY, June 15, 1967.

Ordered,—That the Standing Committee on Housing, Urban Development and Public Works be authorized to sit while the House is sitting.

FRIDAY, June 16, 1967.

Ordered,—That the names of Messrs. Leblanc (*Laurier*), Caron, Ouellet, Isabelle, Bower and Pugh be substituted for those of Messrs. Macaluso, Duguet, Ryan, Cashin, Keays and Chatterton on the Standing Committee on Housing, Urban Development and Public Works.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House of Commons.

REPORTS TO THE HOUSE

TUESDAY, June 13, 1967.

The Standing Committee on Housing, Urban Development and Public Works has the honour to present its

FIRST REPORT

Your Committee recommends that it be authorized to sit while the House is sitting.

(Agreed to on June 15, 1967)

THURSDAY, June 15, 1967.

The Standing Committee on Housing, Urban Development and Public Works has the honour to present its

SECOND REPORT

Your Committee recommends that its quorum be reduced from 13 to 9 members.

Respectfully submitted,

ROSAIRE GENDRON,
Chairman.

(Agreed to on June 20, 1967)

MINUTES OF PROCEEDINGS

THURSDAY, June 15, 1967

(2)

The Standing Committee on Housing, Urban Development and Public Works met this day at 10.40 a.m. The Chairman, Mr. Rosaire Gendron, presided.

Members present: Messrs. Badanai, Bell (*Saint John-Albert*), Chatterton, Gendron, Gilbert, Keays, Martin (*Timmins*), Mongrain, Neveu, Pelletier, Ricard, Stewart, Watson (*Assiniboia*) (13).

In attendance: The Hon. George McIlraith, Minister of Public Works; *From the Department of Public Works:* Mr. Lucien Lalonde, Deputy Minister; Mr. G. B. Williams, Senior Assistant Deputy Minister (Operations); Mr. L. V. McGurran, Director of Financial Services; Mr. Charles J. Helmes, Officer-in-charge, Departmental Estimates; Mr. J. A. Langford, Assistant Deputy Minister (Design); Mr. R. B. Whiting, Assistant Deputy Minister (Programme Planning), and other officials.

The Committee proceeded to sit informally for the consideration of the Estimates of the Department of Public Works.

Vote 1, General Administration, including grants as detailed in the Estimates—\$19,734,600 was called.

The Chairman welcomed the Minister who asked his Deputy to introduce the officials. Mr. Lalonde also made some remarks on the reorganization of the department.

Mr. McIlraith read a prepared statement.

The Chairman noting that a quorum was now present,

On motion of Mr. Chatterton, seconded by Mr. Mongrain,

Resolved,—That the Committee request permission to reduce its quorum from 13 to 9 members.

On motion of Mr. Keays, seconded by Mr. Mongrain,

Resolved,—That the Minister's statement and the remarks of the Deputy Minister be printed as part of this day's proceedings, and that copies of the above statement and remarks be made available to the Members in the meantime.

The Chairman announced the names of the Members of the Steering Sub-committee on agenda and procedure and presented the First Report of the said Steering Committee as follows:

The Sub-committee recommends—

1. That the Committee hear the Minister of Public Works and that general discussion follow the Minister's statement;

2. That Members give notice in advance when requiring information on specific subjects;
3. That the Committee meet again at 4.00 p.m. on Thursday, June 15, if permission is granted to sit while the House is sitting;
4. That one day be set aside next week for general discussion on the P.E.I. causeway, in accordance with the request of Mr. MacDonald (*Prince*) for information about this matter.

On motion of Mr. Badanai, seconded by Mr. Neveu,

Agreed,—That the First Report of the Steering Committee be adopted.

The Minister was questioned.

Messrs. Lalonde, Williams and Langford also supplied information to the Members.

Agreed,—That the Committee meet Tuesday morning on the question of the Northumberland Strait Crossing, at which meeting the Minister will be present.

Vote No. 1 was allowed to stand.

At 11.20 a.m. the Committee adjourned to 4.00 p.m. provided it is granted permission to sit while the House is sitting.

AFTERNOON SITTING

The Standing Committee on Housing, Urban Development and Public Works having been duly called to meet at 4.00 o'clock p.m. this day, the following members were present: Messrs. Badanai, Chatterton, Gendron, Keays, Loiselle, Mongrain, Neveu, Pelletier, Ricard, Ryan, Stewart (11).

There being no quorum, the Chairman adjourned the meeting until Tuesday, June 20, at 9.30 a.m.

TUESDAY, June 20, 1967

(3)

The Standing Committee on Housing, Urban Development and Public Works met this day at 10 o'clock a.m. The Chairman, Mr. Rosaire Gendron, presided.

Members present: Messrs. Allmand, Badanai, Bower, Caron, Gauthier, Gendron, Gray, Isabelle, Leblanc (*Laurier*), Loiselle, MacDonald (*Prince*), Macquarrie, Neveu, Pugh, Ricard, Watson (*Assiniboia*) (16).

In attendance: The Honourable George McIlraith, Minister of Public Works;
From the Department of Public Works: Mr. Lucien Lalonde, Deputy Minister; Mr. G. B. Williams, Senior Assistant Deputy Minister (Operations); Mr. G. T. Clarke, Chief Engineer.

Other Member present: Mr. Duquet.

As agreed at the last meeting, the Committee proceeded to the consideration of the planning and constructing of a causeway and associated structures across Northumberland Strait, as listed under Vote 40.

The Minister made a brief outline of the whole project and read into the record statements previously made in the House.

Mr. Williams gave supplementary information.

Mr. McIlraith, Messrs. Williams, Clarke and Lalonde answered questions asked by members.

The Chairman thanked the Minister and the Officers of the Department for having appeared before the Committee, and at 1.05 o'clock p.m., the Committee adjourned to 9.30 a.m. Thursday, June 22nd.

Gabrielle Savard,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, June 15, 1967

The Chairman: We now have a quorum. As mentioned earlier, the order of reference is the Estimates of the Department of Public Works. I will now formally call the first item.

Vote 1—General administration, including grants as detailed in the Estimates, \$19,734,-600.

It is agreed that the committee request permission to reduce its quorum from 18 to 10?

Mr. Chatterton: If there is going to be an objection to 10, will there be objection to eight or nine?

Mr. Mongrain: Eight maybe.

Mr. Chatterton: The objection is not going to be to the number, the objection is going to be to the reduction.

Mr. Mongrain: Yes.

Mr. Chatterton: So if we are going to go for it, let us go for the eight.

I move that the quorum be reduced to eight.

Mr. Mongrain: I second the motion.

Mr. Badanai: We do not want to go the other extreme, Mr. Chairman. I would suggest that nine should be the minimum.

Some hon. Members: Agreed.

The Chairman: Does everybody agree to nine?

Some hon. Members: Agreed.

The Chairman: May I have a motion to print the Minister's statement as part of today's proceedings.

Mr. Mongrain: Mr. Chairman, I suggest that the explanations given by Mr. Lalonde be printed also.

Mr. Chatterton: Also, Mr. Chairman, since the Minutes may not be ready by the next meeting and since the statement and explanations were given when we did not have a quorum, is it still agreed that the statement will be circulated?

The Chairman: Yes.

Mr. Keays: Then I move that the Minister's statement and the remarks of Mr. Lalonde printed as part of this day's proceedings, and that copies of the above statement and re-

marks be made available to the Members in the meantime.

Mr. Mongrain: I second the motion.

Motion agreed to.

The Chairman: I would like to inform the Committee that Messrs. Stewart, Keays, Mongrain and Martin have been appointed to act on the Steering Subcommittee on Agenda and Procedure.

The Steering Committee met Tuesday afternoon and I am now presenting its first report, which reads: (*See Minutes of Proceedings*).

The Chairman: I ask for a formal motion to approve this report.

Mr. Badanai: I so move.

Mr. Neveu: I second the motion.

Motion agreed to.

Mr. Stewart: Mr. Chairman I want to raise just one point. In that report there is a recommendation that we seek leave to sit this afternoon at four o'clock; in other words, while the House is sitting. I wonder if we want to cross two difficult streams on the same occasion. We are seeking a reduction in quorum and we are also seeking leave to sit while the House is sitting. I have no particular objection to this but I would not like to see both of these things frustrated by reason of their being brought forward at the same time.

Mr. Chatterton: I wonder if anybody knows if a certain member from Lapointe is going to be in the House this afternoon.

The Chairman: Well, the first motion is now before the House. The notice has been given.

Mr. Keays: That is to sit while the House is sitting?

The Chairman: Yes.

Mr. Keays: I think they should have it all on the same day and get it over with.

Mr. Chatterton: Mr. Chairman, the only other question that occurs to me is that it has been apparently indicated that these people who have been requested to be present with regard to the Northumberland business may not be ready to appear and there may not be much value in their appearing at this time. Now, if the Minister of Transport agreed to have his annual report also submitted to this

Committee on the understanding that we will pass his estimates in a hurry then we could have such a meeting at some future date—maybe later in the year, at which time it may be of more value.

The Chairman: Perhaps that matter might be discussed by the Steering Committee.

Mr. Bell (Saint John-Albert): It is in the House now.

Mr. McIlraith: It has had two or three days in the House.

Mr. Bell: Yes, it has had three days.

Note: The Minister's statement and Mr. Lalonde's remarks ordered printed.

Hon. G. J. McIlraith (Minister of Public Works): Mr. Chairman and gentlemen, this is the first occasion on which the estimates of the Department have been before the Standing Committee on Estimates. If I may be permitted a personal remark, as Minister, I look forward with some eagerness to that because I think it may provide a better opportunity for members to get particular information about particular projects than is available sometimes in committee of the whole House.

In any event, we are under way in this new method of dealing with estimates and I for one, as a member for some years, think it does hold some promise. From the point of view of the Department we will try to do what we can to make it work and to provide the kind of information that members will wish to have.

The total estimates of the department are shown in votes 1 to 55, and as you will see from the summary, we are asking \$276.5m for 1967-68. This amount will in all probability be adequate to meet our requirements, and any supplementary provision to any particular vote, needed in order to meet changed requirements arising since the estimates were prepared, could be offset by compensating savings in other appropriations.

The Administration Vote, as printed in the blue book, was prepared last autumn and does not reflect the new departmental organization. The new headquarters branches and the regional offices have been organized and are functioning in their new roles. A considerable amount of work remains to be done before the new organization will operate as was intended but the biggest step has now been taken.

The total increase over 1966-67 is \$15.7m and most of this increase is due to the cost of providing accommodation for other government departments.

Under accommodation services, there is a substantial increase with respect to rentals. The total additional amount is \$6.2m, \$1.5m for Ottawa and \$4.7m for the remainder of the country. This is indicative of the increased demands which have been made upon the department for accommodation, and there has been no decrease in these demands since the time when the main estimates were prepared. There is also a substantial increase in vote 15 which provides for the construction of buildings. The largest increase is for buildings in Ottawa, but there are also significant increases for buildings in Quebec and Ontario. This increase also reflects the growing demand, and I might say that we anticipate that this requirement will be greater in the future.

Some of the larger items which appear in these estimates for the first time are Public Buildings at Arichat and Canso, N.S.; a building for National Revenue Taxation Division in Quebec; Public Buildings at Ste. Foy, Ste. Therese de Blainville and Valleyfield also in Quebec. In Ottawa we have provided for a building for the Exhibition Commission and the Chief Electoral Officer, an office building for departments as yet unspecified at Tunney's Pasture. At Hamilton and London, Ontario, we are building Postal Stations; in the Prairie Provinces there will be new buildings at Wynyard, Saskatchewan and Westlock, Alberta, and we will be making extensive changes to the National Revenue Building in Winnipeg.

We expect that this increase in our construction activities for 1967-68 will provide some relief to the construction industry which has been experiencing a decline in its activities.

The Harbours and Rivers Engineering Services is about the same amount as was sought last year. There are several large projects in these appropriations such as Long Harbour, Nfld.; Belledune Point, N.B.; Gros Cacouna and Matane, P.Q. There are also in these estimates a number of projects which are a result of implementing the new departmental marina policy such as those at Sillery, P.Q.; Sturgeon Creek, Ont; and Sechelt, B.C. which are specifically mentioned. Likewise in the Miscellaneous Works section of Vote 30, funds are provided for a number of smaller works.

The other major section of our estimates—Roads, Bridges and Other Engineering Services—shows a net decrease of \$5.7 due to a reduction in the anticipated expenditure on contributions to the provinces for the Trans-Canada Highway. This section of the estimates includes also bridge reconstruction on the Northwest Highway System, our share of the cost of the highway in Matane and Gaspé counties which is being built in lieu of a railway line.

This section also includes funds for the Northumberland Strait Crossing. As I expect—and this is based on discussions with some individual members of the House of Commons—that members of the Committee will have several questions on this major project, I would like to take the liberty of suggesting that we deal with it as a separate item rather than asking me questions among others on that particular estimate.

Gentlemen, that concludes my remarks. I would like to add that we are available here to provide all the information we can as you may require.

Remarks by Lucien Lalonde, Deputy Minister of Public Works to the Standing Committee on Housing, Urban Development and Public Works, June 15, 1967.

Re: Department of Public Works Reorganization

Mr. Chairman:

Before introducing the senior officers of the Department who may be called as witnesses during the deliberations of the Committee, I should point out to you that since these estimates were prepared a year ago, there has been a major change in the organization of the Department. You will note when you look at the Blue Book that the Estimates were prepared on the basis of the four main branches which existed at that time: Property and Building Management; Building Construction; Harbours and Rivers Engineering; Development Engineering.

Since then, the Department has carried out a plan of reorganization based on decentralization of authority to six regions. The headquarters organization has been changed from one based on the functions being performed, to one based on the sequence of operations which applies to each project handled by the Department: Planning; Design; Construction and Operations.

A chart showing the new organization of the Department is attached, on which Members will note that there is a principal Directorate for each of Planning, Design, and Operations. There is also a Programme Evaluation Directorate as well as three staff directorates providing financial, personnel and administrative support services.

In connection with procedures under the new organization, there is a difference between programmes and projects. Projects may be identified either in a client department or by one of our Field Offices. The Headquarters of the Department, and specifically the Programme Planning Branch, is responsible for getting programme approval by Treasury Board. Then the projects are designed, at Headquarters if they are particularly complex, or in the appropriate field design unit. After design is completed, the Region is responsible for carrying out the construction of the project and for its subsequent operation and maintenance. Minor project changes can be made by the Regional Director but he does not have authority for Programme changes or for Programme approval.

I will now discuss, in general terms, the functions of the three principal Directorates as well as those of Programme Evaluation. The other three Directorates provide staff services to the rest of the Department in relation to finances, personnel and administration.

Programme Planning Directorate

This Directorate is concerned primarily with Programme determination. It provides the essential link between the Department of Public Works and the client departments at the headquarters level. It determines, from the programmes of the client departments, those requirements which have implications for the Department of Public Works. This Directorate co-ordinates the development of the Public Works components of these programmes and either obtains Treasury Board approval or assists the Client in obtaining Treasury Board approval, depending on where the programme will be funded.

Design Directorate

The basic function of the Design Directorate is the development and communication of design standards for application throughout the Department. This Directorate also designs special projects—particularly those which are of a complex nature. Within this Directorate, there is an Accommodation

Standards group which is responsible for the development of professionally based standards for all types of accommodation.

Operations Directorate

This is the line organization in the Department under the Senior Assistant Deputy Minister, responsible for carrying out the approved construction, operation and maintenance programmes of the Department as well as for the provision of professional advice and information during the programme development stage. This Directorate encompasses all field operations. It is also responsible for ensuring rapid and efficient communications between the Departmental Headquarters and the Field Offices and vice-versa.

Programme Evaluation Directorate

This Directorate has a basic responsibility for the evaluation of the performance of each unit in the Department under conditions of decentralized operations. This is particularly important to the Departmental management because of the substantially increased delegation of responsibility and authority to the decentralized units.

I would now like to introduce the following Departmental Officers: Mr. G. B. Williams, Senior Assistant Deputy Minister (Operations); Mr. L. V. McGurran, Director of Financial Services; Mr. C. J. Helmes, Officer-in-Charge, Departmental Estimates; Mr. J. A. Langford, Assistant Deputy Minister (Design); Mr. R. B. Whiting, Assistant Deputy Minister (Programme Planning); Mr. H. D. McFarland, Director, Programme Evaluation; Mr. W. F. Nelson, Director, Personnel Administration; Mr. R. Fortier, Director, Administrative Services.

There are other officials present who are here to provide information so that answers can be made quickly to questions that may be asked by the Committee. Any of these officials who may be called upon to act as witnesses, I will introduce at that time.

The Chairman: Would you like to proceed now to general discussion.

Mr. Chatterton: May I ask if the Minister wants a motion by this Committee requesting that the annual report be submitted to the Committee?

Mr. McIlraith: No, I do not.

Mr. Keays: Mr. Chairman, I am wondering, before we start a general discussion on the Minister's statement and on the estimates in

general, whether we should not, as already requested by the Steering Committee, take a few minutes off to inform the Committee of the subjects which we expect to raise during the hearings in order that those who are interested could be ready with the information requested.

If this is agreeable I would like to say that different points I intend to raise include the policy of the Department of Public Works in so far as the protection walls are concerned and the policy of the Department in so far as marinas are concerned.

Mr. McIlraith: That is for pleasure craft?

Mr. Keays: That is right, and also the question of procedure of bidding and the authority of the Minister in so far as granting a contract without approval of Treasury Board. I think some of these matters have already been raised in the Committee on Public Accounts, including the whole procedure of bidding, awarding of contracts and so on. This is one matter that I would like to go into.

The Chairman: Thank you, Mr. Keays. Are there other questions?

Mr. Mongrain: Mr. Chairman I should like to ask the Minister a question. Would the Minister please explain what comes under his Department or the Department of Transport in the way of dredging in the St. Lawrence channel. Is it all under the Department of Transport or is there anything under the Department of Public Works.

Mr. McIlraith: It is all under the Department of Transport.

Mr. Bell (Saint John-Albert): Marinas include small boat harbours and the like?

Mr. McIlraith: Pleasure craft.

Mr. Keays: Could we now, before going on to general discussion, decide that next Tuesday if possible would be set aside to discuss the Northumberland Strait project?

Mr. McIlraith: Is anybody sure that they will be here?

Mr. Keays: They will both be here next week. They will be here on Tuesday and Thursday.

Mr. McIlraith: Next Tuesday afternoon would be a rather awkward time to discuss that because so much of that subject concerns Government policy as distinct from administrative policy. Tuesday morning would be a suitable time.

Mr. Keays: Tuesday morning would be acceptable?

Mr. McIlraith: Yes.

Mr. Stewart: I will not be here to contribute to the quorum on Tuesday but I assume that with the reduced quorum there will be no quorum problem.

Mr. Keays: Mr. Chairman, in so far as we are concerned, we are now assured that five members of our party will be here for that meeting.

Mr. McIlraith: That would really be the first meeting of the Committee. As far as we are concerned, we are agreeable. It is just a matter of how you want to proceed.

The Chairman: Are there any other questions?

Mr. Keays: Do you want to continue?

The Chairman: We still have a quorum; we can go on. We have 20 minutes left.

Mr. Keays: With regard to the re-organization which Mr. Lalonde mentioned, I wonder if he could go further and say what is contemplated for the future. You said you were up to level five in your reorganization?

Mr. Lalonde: Yes, Mr. Chairman. We started by appointing three assistant deputy ministers to their new responsibilities and then we appointed the second line below the assistant deputy ministers. In other words, we appointed the various unit chiefs or division chiefs, and as we went along we had authority from Treasury Board to re-organize on a certain basis which I have outlined to you and which will be in more detail in the circular, which will also have a chart showing the organization at all levels including regional and district levels in the field. As we went along we got authority from Treasury Board for a number of positions in each group at certain levels of classification. When we appointed the second level below the assistant deputy ministers we appointed the regional directors as well as our headquarters people. They immediately began to set up their own regions and to choose their own assistants. We have gone through that process since the beginning of the year and we have reached the level of Engineer Grade 4 or Administrative Services Grade 4, which is about the \$10,000 level.

Now we are in the process, having secured authority from Treasury Board for the next group, of going down to the operating level, such as cleaners, helpers, stationary engineers

and so on. We expect to have all of these appointments made by the first of September, at which time we should be able to operate completely on the new basis—although, there will still be a number of difficulties that we have not anticipated and which will require adjustments from time to time.

We feel it will take another two years before we can get the new organization functioning smoothly. You will see from the material I propose to send you that the purpose is basically to enable us to do longer range and better planning by concentrating all of our planning in one unit and by attempting to do something which we have found rather difficult but which we consider to be essential, namely, to establish long-range liaison with the client departments.

In other words, this will enable Public Works to know what the other departments are thinking of doing because too often in the past they have decided to do something and have come to us saying: "Provide the accommodation we now need." a month before they need it. That is just impossible. We have had cases where we had to rent accommodation which was urgently needed and then had to make some adjustments later. We hope that with the new organization we can do better long range planning. The other thing we hope to do by decentralizing authority to the regional directors and to the districts on the construction side, is to do a certain amount of the design, supervision and the carrying out of the construction itself much more quickly. When you are in the middle of a construction contract every time a change order is issued it has to come all the way down to headquarters, go all the way back and pass through a number of hands which, inevitably, takes time. I think that this has given rise in the past to a number of delayed claims. We hope to eliminate those. We also feel that the people who are on the site, and in some cases 2,000 miles away, are more knowledgeable about local conditions than are we in Ottawa. There were quite a number of factors that convinced us the only way the department could operate for the next 25 years was on a decentralized basis. If you look at the size of our budget and its rate of increase over the past 15 years and you project that into the future—as the country is growing it is logical to expect that the government is going to grow and the departments are going to grow even without the application of Parkinson's law—our Estimates are also going to increase.

The construction business is quite different from performing for instance, the routine task of sending out cheques. Every project has to be conducted from start to finish as a separate entity and unless we are capable of doing a better job of looking after the project in a shorter period of time, when our budget becomes a budget of, let us say, \$500 million as it is on the way to becoming, it would just be hopeless to attempt to do all of that construction work on a centralized basis. We feel with all the difficulties that the reorganization has presented—we have been working on it now for the past three years and it has been headache because we have had to operate under the old system while we were changing to the new system—that if we could have had a moratorium of six months to make the change it would have been easier. Our people really have had to do two jobs at the same time. I think they deserve a great deal of credit, even if some mistakes have been made. However we are beginning to see the daylight now. I think the worst is over.

Mr. Keays: Mr. Chairman, may I continue? I would like to ask two short questions and then someone else can take over.

As a brief observation I would like to say that this is certainly a move in the right direction because I think it is time we began to give field officers the powers to deal with some of the small problems which can become so acute and serious in these regions. As you say, when you are sitting here you do not know what is going on in the field. You mentioned there were six regions. Could you briefly tell us where these six regions are located and what the duties of the regional officers will be?

Mr. Lalonde: Starting from the West, there is the Pacific region with headquarters in Vancouver which will be responsible for all of British Columbia and the Yukon. The Western region with headquarters in Edmonton will be responsible for Alberta, Saskatchewan, Manitoba and that portion of the Northwest Territories which is north of these three provinces. The Ontario region with headquarters in Toronto will be responsible for all of Ontario except the area around the national capital.

We have made a separate region of the national capital area, including some territory which is outside the national capital region as defined in the act, because we did not want to break up constituencies that are partly in and partly out of the national capital

area. Next is the Quebec region with headquarters in Montreal. The Atlantic region, comprising the four Atlantic provinces, with headquarters in Halifax.

There will be certain financial limitations imposed both by the Treasury Board on the department and by the kind of responsibility we can place on the shoulders of these regional directors but in the main, with respect to the carrying out of an approved program, they will have the same authority that the Deputy Minister has for the whole of the department. Once a project has been approved as part of a program—and this will always have to be done at Ottawa because the programs have to be approved by the Treasury Board and then included in the Estimates—then the carrying out of that project—

Mr. Chatterton: Including the planning?

Mr. Lalonde: No, including the designs in some cases. This does not apply in all cases because there are projects that are so large and require so much attention that our normal establishment in a region could not cope with it. The things that can normally be done within the region will be designed within the region and then constructed by people having the authority to do the complete work. Mind you, the regional directors will initiate the planning of those projects as part of their regional program, send it to headquarters, have it approved by the department and Treasury Board, then it is sent back to them to complete.

Mr. Keays: Do they have subregional offices?

Mr. Lalonde: They have district offices. It goes without saying, of course, that the district office will not have the same authority as the regional office. However, they will do the day-to-day work, such as the property management, and they will do a certain amount of design in the field of marine works, for instance, and will supervise the construction locally. In the case of a wharf or even a post office, or something like that, having been given the "go ahead" signal the district office will be able to finish the job.

Mr. Chatterton: When you say approval of the project you do not necessarily mean approval of the contract?

Mr. Lalonde: That is right.

Mr. Chatterton: And then the calling of the tenders and the awarding of the contract is the responsibility of the regions?

Mr. Lalonde: It depends on the amount. The districts will have authority to award a contract up to \$25,000.

Mr. Chatterton: After approval has been received from Ottawa.

Mr. Lalonde: After it is approved as part of the program.

(Translation)

Mr. Mongrain: If I understand correctly, for example, you have a district office in Quebec and Champlain county comes under the jurisdiction of that office whereas Trois-Rivières county comes under the Montreal office.

Mr. Lalonde: Yes.

Mr. Mongrain: Then what will you do after redistribution when part of Champlain county will be taken into Trois-Rivières county for that purpose?

Mr. Lalonde: As I said a while ago, we still foresee difficulties which will have to be corrected, but we hope do it in such a way that a county will not be divided between two district offices.

Mr. Mongrain: You may answer me in English, Mr. Lalonde, if you wish. It is easier for me to ask my questions in French but I understand a little English.

(English)

Perhaps I should ask this question of the Minister. Is there any possibility, Mr. Minister, that when something is started in a riding, for instance, when you award a contract or you decide to erect a building or rent some quarters is there any way that the member of Parliament could know about it before the press or the public? I am not a Liberal and I am not speaking for the Conservative party but I think it appropriate that we should know what is going on in our riding.

Mr. McIlraith: That is the difficulty that the Minister also has to the same degree. In any case, you are concerned about members of Parliament receiving better information.

Mr. Mongrain: If it is possible.

Mr. McIlraith: We try to do the best we can.

Mr. Keays: We should at least receive simultaneous information.

Mr. Mongrain: Sometimes our local papers are received three or four days late and we do not learn the news until after our people have learned about it.

Mr. McIlraith: The Minister has the same difficulty. He read something yesterday which he thought was of major importance and he was delighted to read about it and get the facts. I am aware of the problem.

Mr. Keays: I would like to ask Mr. Lalonde if the district offices have any authority as far as finances are concerned and to what limit?

Mr. Lalonde: Yes, they have. Mr. Williams is in charge of the field that I vacated. I think perhaps he could give you further details on that.

Mr. Williams: The district director develops his program for approval by the regional director and, of course, it has to come to Ottawa for total program approval.

Once the regional director has the authority from Ottawa he in turn transfers his authority to some degree to the district director to carry out the approved program.

As long as the projects which are being done by the district are within the budget, the time and the type of project that was contemplated and approved, he proceeds with that. However, there is a financial limitation of authority on matters that he can initiate on his own.

The regional director is allotted \$25,000 and we allow him to exercise some latitude. In some districts he may be prepared to go to \$5,000 or to \$6,000. In no case would the district director receive as much as the \$25,000 which the regional director is allotted.

Mr. Chatterton: A supplementary question, Mr. Chairman. When you said that approval is given by Ottawa, does that mean approval of the individual project or of the program?

Mr. Williams: A program may be a series of projects but in approving the program you have identified the series of projects and so you have in fact project approval, recognizing there is some flexibility between the individual parts of it.

Mr. Lalonde: One thing that is important to understand is that programs can never be changed, they can never be amended, but in the light of changing conditions locally

projects could be changed. That is a circumstance where the regional director does have some authority without referring back to Ottawa.

The Chairman: Mr. Keays, do I understand that you have completed your questioning? I have Mr. Mongrain, Mr. Chatterton and Mr. Watson on my list.

Had you finished, Mr. Mongrain?

(Translation)

Mr. Mongrain: I have one further question to ask Mr. Lalonde. Mr. Lalonde, if I understand correctly, you certainly are aware that the Department of Public Works owns the St. Lawrence River shores. When you have protection work to do do you have to get authority from anyone?

Mr. Lalonde: We do not own the shores of the St. Lawrence River. The province or the individuals concerned own the shores.

Mr. Mongrain: So, therefore, if and when you do protection work you consult the shoreline owners or the Province for the necessary authority.

Mr. Lalonde: Or, under an agreement with the province we purchase certain lands, or deal directly with the shoreline owners.

Mr. Mongrain: In each case?

Mr. Lalonde: In each case.

(English)

Mr. Watson (Assiniboia): Mr. Chairman, when Mr. Lalonde was outlining the six regions across Canada, I believe he mentioned specifically post offices as possibly one type of building. With regard to the small post offices and Mounted Police barracks within the \$25,000 bracket, will each region be responsible for its own building design to suit conditions in the localities where they are to be built? By that I mean that the ones in British Columbia might need a different architectural design because of weather conditions, which are different in the Maritimes and Ontario. Would each region then be responsible for its own buildings instead, as I understand it, of using the same design all across Canada?

Mr. Lalonde: Perhaps the answer to your first question is, yes. Those will be designed in the regions in accordance with certain standards set by the Assistant Deputy Minister of Design and his group. Perhaps Mr. Langford could give you more details on the second part of your question.

Mr. Langford: It is the intention to establish what you might call a regional approach to design solutions. I think it goes without saying that the weather conditions in the Atlantic Provinces are far different from those in the Prairies or even on the Pacific Coast, and we feel that by using a standard of space and material, and so on, we will evolve a regional approach to design. We want to encourage this as a policy from a professional point of view.

I do not see the need though, for arbitrarily changing things without a functional reason. We ran into conditions, for example, in Halifax where horizontal rain against a building presented difficulties in detailing that we do not have in Ontario. This will reflect in certain characteristics of the building. We have already undertaken this to a large extent. We want to standardize these details for application on all buildings, not just on small post offices.

Mr. Watson (Assiniboia): I understand that. I merely used post offices and police barracks as examples to explain my thinking. Would it be reasonable to presume that Ottawa would be responsible basically for laying out the square footage and general building plans and then the regions would get into the detail of what they thought were the most suitable materials and design for the local areas?

Mr. Langford: That is correct. The majority of our direct design work is handled by private consultants. We attempt to give the consultant what we call a "requirements brief." Basically it is a word statement of what is required to be designed and the consultant then sets about solving the problem in the case of a building. We vet these in the Department and to see that the requirements have been met.

Mr. Watson (Assiniboia): I have one other question, Mr. Chairman. I believe the Minister mentioned one public building in Saskatchewan at Wynyard, I presume it was. I wondered what that building will be and whether it is the only building that Public Works is building in Saskatchewan this year.

Mr. McIlraith: We will get the details on that in just a moment, Mr. Watson. The project at Wynyard consists of alterations and addition to an existing building. One of the other projects I know about off-hand is at Esterhazy on which tenders will be received tomorrow. Those appear to be the only two at the moment.

Mr. Watson (Assiniboia): Would the project at either Esterhazy or Wynyard be a post office?

Mr. Lalonde: They are public buildings; they are more than post offices.

Mr. McIlraith: The Farm Credit Corporation activity in Wynyard is one of the important factors, as well as the post office. What does Esterhazy consist of?

Mr. Williams: Post Office, Veterans Affairs and the National Employment Service.

Mr. McIlraith: What is it in Wynyard?

Mr. Langford: Agriculture, Post Office and Farm Credit Corporation.

Mr. Watson: Is the Farm Credit Corporation in both of them?

Mr. McIlraith: No, just in Wynyard.

Mr. Bell (St. Jean-Albert): May I ask Mr. Lalonde whether these changes he referred to were the result of the Glassco Commission recommendations.

Mr. Lalonde: Indirectly, yes, Mr. Bell when I came to Public Works in 1963 the Department was slated for a study of its financial structure only, but after I acquired a little bit of experience it struck me that to look only at the financial structure was not enough. I thought we should look at the whole structure of the Department and we hired a firm of consultants with approval of the Treasury Board. We have been working on this since 1964. So, indirectly, it is the result of the Glassco report, you might say, enlarged in its operation.

Mr. Watson (Assiniboia): In other words your Department is one that can claim some credit for moving in the direction of the Glassco recommendations.

Mr. Lalonde: I must say that we feel we have gone much further than the specific recommendations contained in the Glassco report. We have also found that some of their recommendations cannot be applied.

The Chairman: Are there any other questions?

Mr. Keays: Mr. Chairman, the Department of Public Works seems to be undertaking the design, planning and management of all public buildings in Canada. Is that right?

Mr. Lalonde: There are exceptions, Mr. Keays. We have nothing to do with airports, neither planning design, nor construction; we have nothing to do with buildings other than office space for National Defence, and the PFRA farm buildings, which they build themselves.

Mr. Keays: Do you anticipate, therefore, that quite soon all other departments of government will get rid of their architects, engineers and other tradesmen?

Mr. Lalonde: No sir, I do not anticipate that.

Mr. Keays: Do you think there is any reason why they should keep them?

Mr. Lalonde: I think in the case of the airports, for instance, there is a very valid reason. You have to be a specialist to plan and implement the concept of air service with varying conditions across the country. If we were to undertake the construction of airports it would mean that we would have to bring over to Public Works that experience which they have in Transport, and I am not too sure that the government or the country would gain anything by simply turning it over to another agency.

In the case of National Defence it could be argued again that the military are the only people qualified to determine what kind of strategic buildings or other types of construction they need. The fact that we do all of their non-strategic building is a recognition of the principle that where we do not need a special expertise in the Department of Public Works we carry out the work on their behalf. I think there are some good arguments in those three cases.

Mr. Keays: Have you any doubts whatever that they could reduce some of the duplication of work that is going on now in some departments in so far as construction management is concerned?

Mr. Lalonde: I do not know exactly what they have in the construction field in those two agencies, but I know very well that we would have to hire some people to do the work they are doing now. I have never studied the question of numbers.

Mr. Keays: Do you think we should set up a commission to study this?

Mr. Lalonde: That is not my decision to make.

Mr. Keays: I am thinking of Northern Affairs, Fisheries and a few others. I am sure they have people in those departments who are either architects or engineers whether electrical, mechanical, air conditioning or whatever you want to call them, and I am sure, without getting right into it and proving it, that there must be duplication of services.

Mr. Lalonde: I would like to ask for a little time to be able to give you a better appreciation of this because really the key will be how successful we are in establishing, continuing, and maintaining the kind of close liaison we want to have with our client departments from the time of the inception of their thinking about a new program.

If this is successful, I think it might be possible. If we plan with them five years ahead and they duly take us into their confidence, perhaps what you suggest will be possible, but I do not think we will know that for the next year or so until we have developed our own liaison and discovered what kind of reception we get from the other departments.

The Chairman: Are there any other questions? I thank you very much, Mr. Minister, and all your officers. Vote No. 1 will stand.

Our adjournment to four o'clock this day is subject to permission of the House. In that case the members will be notified immediately after this report is agreed on by the House. Otherwise, the Committee is adjourned to the call of the Chair.

Tuesday, June 20, 1967

● (9:53 a.m.)

(English)

The Chairman: Will you permit the Minister to make a statement about the Northumberland crossway with the understanding that no motion will be moved until we have a quorum.

Some hon. Members: Agreed.

Hon. G. J. McIlraith (Minister of Public Works): Mr. Chairman and gentlemen, for the purpose of the Committee I thought it might be appropriate form to summarize and restate the development status of the Northumberland Strait Crossing Project, and with your permission I will do so. The Senior Assistant Deputy Minister Mr. Williams, who is a well qualified engineer with a lot of experience, is on my right, and he has had

particular knowledge of this project; also here are the Deputy Minister and the Chief Engineer, Mr. G. T. Clarke. Perhaps I could start by indicating a brief outline of the whole project.

Following consideration of an engineering report prepared by a group of consultants known as Northumberland Consultants Limited, on July 2, 1965 Cabinet approved proceeding with detailed designs to undertake the construction of the permanent crossing to Prince Edward Island. The design at the time involved a section of causeway extending from the New Brunswick shore, a bridge portion to provide an open channel for tidal flow, and a causeway from the Prince Edward Island shore, in which causeway was provision for navigation of large shipping by means of a tunnel section. With the approval of Cabinet, the department instructed the consultants to proceed with the detailed designs and preparation of plans and specifications.

A briefing session on the whole project was held in Charlottetown in July of 1966 in order that the construction industry would be aware of our proposals. During this time construction contracts had been awarded for approach roads on the New Brunswick side and as well, the construction contract was awarded in July of 1966 for the approach road on the Prince Edward Island side.

The first major contract on the causeway was initially planned to be called in the late fall of 1966; however, because of certain interprovincial implications involving clarification of provincial and federal sales tax, and some problems of insurance, the tender call was not made until January of 1967. The tender call was for approximately two miles of causeway extending from the New Brunswick shore. A total of four bids were received from Canadian joint ventures, all of which were very much in excess of the estimates prepared by our consultants.

The price differential between estimate and bids was particularly high on the provision of armour rock, but in addition to this, there were other price increases affecting concrete materials. Because of the wide gap between the estimates for the New Brunswick causeway and the tenders received, the department had to reconsider the implication of these increases on the total cost of the project. In this evaluation, we had to give consideration to the service to be performed, that is, for both rail and highway traffic, and

it was quite apparent that there was a very substantial capital cost in the crossing to make provision for rail service. The design could be greatly simplified by leaving the rails off the crossing and continuing to provide rail service by ferry. At this stage my colleague, the Minister of Transport, and myself, met with the Premier of Prince Edward Island and discussed the problem. It was felt that in the light of what might be the total cost of the project a re-examination must be undertaken immediately.

And I will refer to it in a moment. At that point I made an announcement in the House of Commons.

The department then had to consider its position in relation to the tenders received and it was felt that in the re-examination which would include the possibility of removing rails from the crossing, very substantial design changes in the causeway portion, bridge and provision for marine traffic through the crossing should be considered. Rather than inhibit our study by attempting to minimize changes in the design on which tenders were received, it was felt that no tenders should be accepted as with the magnitude of changes which would be considered, it would be inappropriate to negotiate with the present low tenderer. In this regard, it is important to realize that at this stage had a decision been made to make an award, the contractor would not have been in a position to proceed, as he would have to await some re-design considerations. Such a position would mean that he could do little more than commence his mobilization and the possibility of his commencing any substantial work on placing causeway fill was doubtful. Placing of fill in the strait may only proceed to a point where it can be adequately protected for the ensuing winter period so that actual construction in 1967 would basically be used in mobilization.

The department has instructed the consultants to re-examine designs to effect simplification where possible, including the possibility of providing for highway service only. It is hoped that the improved rate of production on any simplified design in subsequent years will offset any actual crossing construction which could have been undertaken subse-

quent to the department's decision on the present tenders in 1967. A series of meetings have been held with the consultants, and as I have reported to the house arrangements have been made for the department to engage Colonel E. Churchill to act as the departmental representative in co-ordinating and directing the consultants in considering the revised designs and putting the project under construction as soon as this can be done.

In the meantime, the approach road on the New Brunswick side has been completed with the exception of one overpass which is under construction. On the Prince Edward Island side, construction on the approach road is continuing and is to be completed this fall. We will be calling tenders on an interchange for the connection of the approach road to the Trans-Canada Highway, and as well, an overpass over a local provincial highway.

Now, gentlemen, on May 31 I made a statement which I think I should perhaps put on record. I made this statement in the House of Commons and it was simply this.

Hon. G. J. McIlraith (Minister of Public Works): Mr. Speaker, I have a brief statement to make concerning the Northumberland strait crossing.

The department has completed the review of the tenders submitted for the first section of the Northumberland crossing. These tenders covered the construction of approximately two miles of causeway, extending from the New Brunswick shore and in a relatively shallow section of the crossing.

All tenders have been carefully analysed. The prices quoted on particular components such as the concrete structure and durable rock are very much higher than anticipated. This wide gap between the estimates and the quotations received indicates that the whole project, as originally designed, would cost a great deal more than anticipated.

For this reason the government has decided not to accept any of the tenders submitted and to reassess the design of the project. One factor adding heavily to the cost of the present design is the inclusion of rails on the crossing. The design of a crossing combining causeway, bridge and tunnel sections was largely deter-

mined by the desire to provide both highway and rail transportation on the nine-mile link between Prince Edward Island and the mainland. Such a design could be greatly simplified by leaving rails off the crossing and continuing to provide rail service by ferry.

With the elimination of rail service all elements of the crossing could be changed. For example, on the causeway portion it will be desirable to re-examine the width, the crest elevation, and the need for the concrete superstructure originally contemplated.

● (2:40 p.m.)

On the bridge portion the double deck structure designed to carry the two modes of transportation would no longer be required. The reduced loading in providing for highway traffic only permits consideration of longer spans and fewer pier elements. The design to provide for marine traffic through the crossing would be affected not only because of simplified requirements, but also because of the removal of the controlling railway grades. With freedom to work to the higher permissible highway grades, consideration could be given to a high level bridge section for total free navigation, a review of the tunnel proposal with revised grades and ventilation requirements, and a short high level highway bridge over a lock. These reviews of design will affect the costs of both bridges and causeway and will permit a reassessment of the desirable lengths of each type of structure relative to the varying depths of water.

Before taking the decision not to accept the tenders submitted, the Minister of Transport and I met with Premier Campbell of Prince Edward Island and explained to him the considerations involved in this decision. At his request the government has agreed, in its reassessment of design, to examine whether a simplified method of including rails on the crossing would be practicable. It was made clear to the premier that whether or not a decision was finally made to provide rails on the crossing, the government of Canada recognizes that there is an obligation to provide efficient rail service to Prince Edward Island so long as there is any effective demand for such service, and the government has every

intention of carrying out that obligation, regardless of the method by which rail cars are transported from the island to the mainland.

Even if a tender award were made now on the basis of bids received for the New Brunswick causeway section, by the time mobilization and preparation of the quarries were completed the progress on actual crossing construction during the 1967 construction season would be more than offset by the improved rate of production in subsequent years consequent on a simplified design. While it is anticipated that the redesign will take several months, this will not necessarily delay completion of the project.

I would like to conclude by reasserting the government's intention to continue with this project. I might add that the causeway approach road on Prince Edward Island will soon be completed, and tenders for construction of a highway interchange at Albany, P.E.I., are expected to be called this summer.

That was the statement I made in *Hansard* on May 31 as it appears on Page 779 when I announced that we were not proceeding toward that contract for the New Brunswick causeway portion.

The next day I also made a statement dealing with the commentary that a Mr. McCulloch made on the design. This was on June 1 and it appears on Page 820 of *Hansard*. If Members want it, I could read it into the record here. If not, it can be referred to later, if you wish to refer to it. I am in the hands of the Committee on that. Would you like me to put it in the record at this point?

Mr. MacDonald (Prince): Put it all together.

Mr. McIlraith: I will read the statement, then, just as it appears in *Hansard*.

Hon. G. J. McIlraith (Minister of Public Works): Mr. Speaker, yesterday the hon. member for Queens asked me whether the Department of Public Works had completed its examination of the commentary by Mr. O. J. McCulloch on the Northumberland strait crossing and whether Mr. McCulloch's services would be utilized in our reassessment of the design of the crossing. I indicated that no consideration is being given to obtaining Mr. McCulloch's services but that I would

make a statement on motions today as to the commentary and revised commentary sent to the department by Mr. McCulloch.

The contention of Mr. McCulloch is that the crossing should be built in precisely the way the Canso causeway was built, that is that it should be a solid causeway. In all his proposals Mr. McCulloch has assumed conditions existing as they were at Canso. This is patently not the case. The Canso causeway crossed a strait approximately three quarters of a mile long where changes in tidal conditions were not significant although there were some damage claims. The project we are now considering is a nine mile crossing located approximately in the middle of a 100 mile reach of the Northumberland strait.

While investigating the feasibility of the Northumberland crossing the government had a complete tidal study made. An analysis of this tidal study was made by the Liverpool Observatory and Tidal Institute of England to predict the results of placing a restriction in the strait. The results of their study, confirmed by subsequent model studies, indicated that a full causeway would change the tidal regimes throughout the strait. The changes would be very significant. At the crossing site the average tidal range at present is $7\frac{1}{2}$ feet, whereas complete closure would increase the tidal range by $5\frac{1}{2}$ feet on the east side and $2\frac{1}{2}$ feet on the west side. To these changes in tidal ranges it is necessary to add the effects of storm surges and wind setup. On the other hand, if a crossing is designed to provide a minimum of 35 per cent of the cross-section open to flow, changes in the present water level conditions throughout the strait are not significantly altered.

In considering these facts the government had surveys made to consider the direct costs which might arise as a result of property damage, flooding effects on roads, bridges, marine structures and dredging, if water levels were changed. These, at 1959 values, were estimated at \$23 million. What these costs would be in 1967 is problematical, and to evaluate them would involve a completely new assessment of lands, roads and bridges, marine structures and development since the survey of 1958-59. What was impossible to forecast or estimate, however, was

the extent of potential damage to individuals or corporations located in and using the strait for marine purposes where their facilities and potential development would be affected by changes in water levels. Added to this was the potential of disturbing the existing conditions as they may affect the fisheries industry which would involve not only changes in depth but also water temperature conditions and water flow generally.

Having regard to all these factors the government wished to maintain, insofar as possible, the existing tidal regime, and this is still our judgment. This is particularly so when we have carried our engineering investigations to such an extent that we can provide an opening which will maintain the tidal regime. We can make provision for ice, and we are proceeding on this basis and do not accept the alternative of a solid causeway.

Now, gentlemen, perhaps at this point—

Mr. MacDonald (Prince): Could I just clarify something?

Mr. McLraith: That is all I will put in the record. Yes?

Mr. MacDonald (Prince): In your comments on the McCulloch report, were you referring to Mr. McCulloch's second report as well as to his first one?

Mr. McLraith: Yes. You call it a report; we called it a commentary on the consultants'—

Mr. Macquarrie (Queens): He calls it a report as well.

Mr. McLraith: Well, I am not sure he does in the correspondence he sent with it.

The letter refers to it as a commentary. That is what he calls it in his letter.

The Chairman: Gentlemen, is it agreed that the Minister's statement be printed as part of today's proceedings?

Some hon. Members: Agreed.

The Chairman: We will proceed to a general discussion now.

Mr. McLraith: We have Mr. Williams here if you want to supplement and describe more of the background with perhaps more particular reference in an engineering way. Perhaps it would be helpful.

The Chairman: Is it agreed?

Some hon. Members: Agreed.

The Chairman: Mr. Williams?

Mr. G. B. Williams (Senior Assistant Deputy Minister, Department of Public Works): Mr. Chairman and gentlemen, I think it would be helpful to the Committee if I go back—precede the status report given the Minister because Public Works actually was involved in this project commencing in 1956. At that time the Minister of the day (Mr. Winters) directed that an economic study be made of the cost of operating the ferries and in addition to this, based on a suggestion made by Mr. O. J. McCulloch to the Province of Prince Edward Island, an investigation of the availability of rock at Cape Tormentine, New Brunswick, one of the terminuses of the proposed crossing. This work was undertaken and on the basis of the forecast of cost of operating ferry service in 1958 and 1959, the government undertook a series of studies to examine the feasibility of such a crossing. The emphasis was on whether or not it was feasible to build across this nine-mile strait with the ice conditions and the wave conditions which would exist. A group of consultants were engaged to do this work and I would like to point out that Mr. McCulloch was invited to join the group at that time and he subsequently felt that he would wish to withdraw from the group.

The consultants were engaged to undertake site surveys, preliminary borings in the strait, and extend the borings on possible quarry sites at Bayfield on New Brunswick's shore. In conjunction with this it was quickly established—at that stage we were thinking of a solid causeway—that the construction of a full causeway would have a substantial effect on the tidal regime and currents in the strait and it was necessary to examine and study these. The Canadian Hydrographic Service, Marine Sciences Branch, of the then Mines and Technical Surveys Department undertook a tidal survey of the area in 1958, and some additional work was required in 1959, and the results of these were forwarded to the Liverpool Observatory and Tidal Institute, England who did an analysis of what would happen for various restrictions in the cross section of the strait. In addition to this, the Department of Transport Meteorological Service did studies on the meteorological conditions, wind conditions, forecasts of ice conditions in the Bay of Saint Lawrence and as they would

affect the strait. In addition there was a geographical survey done by the Department of Mines and Technical Surveys of the coastline of both New Brunswick and Prince Edward Island to arrive at land values and possible erosion factors which would affect the coast.

With the information available, the consultants then considered proposals for crossing the Strait and whether or not a causeway could be built, whether a bridge could be built, or whether a combination of them was capable of being built. As a result of all of these tests, studies and examinations it was determined that the project was feasible. The economics of it were much more indeterminate, as from work done, there certainly was really no opportunity to do any kind of reasonable estimate. To ascertain this it was necessary to go into detailed designs and a great deal more field investigation.

With this information the government of the day considered the project and directed, in April of 1962, that a consultant group be formed to do detailed field investigations and prepare designs for alternative methods of crossing the Strait. The designs were to include a full causeway, a causeway and a bridge, combinations of the two, navigation channels of locks and bridges an almost infinite variety of alternatives.

I think it is fair to say that when the group of consultants commenced their work on this they were also informed of and had available to them all of the information which had been obtained from the additional reports and the attitude of the government in respect to a desire to maintain the status quo in the Strait in so far as tidal regime. It was from this base that they started their work. Their report to the government was made in April, 1965, and then, in July, 1965, as the Minister has stated, the government decided to proceed with the crossing.

An hon. Member: They took their decision to proceed.

Mr. Williams: Yes, this is further background information which may be of value to the Committee.

Mr. MacDonald (Prince): I wonder if the Assistant Deputy Minister could go a bit further and report on the design changes that were made in the fall of last year? I have in mind the additional length to the bridge, the reduction in length of the causeway and the change in the length of the tunnel.

Mr. Williams: Yes; the adjustments made at that stage were based on their estimates of the cost of causeway for varying depths of water and the cost of bridge structures. In preparing their designs for the tender call for the New Brunswick causeway they took the most up to date engineering data they had on each element. On the basis of their estimate of the cost of the two elements that were involved at that particular stage, it was evident that it was cheaper to extend the bridge and reduce the length of causeway, so this decision was made.

Mr. MacDonald (Prince): Was the tunnel also increased in length? Am I right in that assumption?

Mr. Williams: There was not any lengthening of tunnel, to my knowledge. The tunnel section was purely on the navigation portion and they were not, at that stage, sufficiently advanced in design to make a change in the length of tunnel.

The Chairman: Are there any questions?

Mr. Macquarrie: I have some obvious general questions for the Minister. One does not want to become too disquieted, but I feel that we now seem to be faced with a situation where we have or are about to have two lovely highways heading through open water from Prince Edward Island to New Brunswick with very little concrete—if you will pardon the pun—between.

I would like to know how large a factor in the escalating cost is the presence of rails. I note the Minister mentioned the larger than expected cost of armour stone, and what have you. I wonder if, in a general way, your Department has yet been able to arrive at anything like a realistic figure of the restriction of costs if the rails should be removed.

Mr. McIlraith: I can answer that only in a general way and, perhaps, I should take a moment to try to do so. I cannot give the precise detail of the costs involved because they have to be engineered in more detail and they are involved in this redesign that is now taking place. So, without trying to crystal-gaze what the engineers will find—I am being very careful not to do that—I should make it clear that when you speak of increased costs on those bids received for the New Brunswick side of the causeway, they showed a sharp increase in certain elements of the cost. An analysis made it very clear that the cost of

adding the railway on the crossing was a very great factor—a very great element—in the total cost, much greater than had originally been thought at the time the decision was taken to proceed with the crossing with the rails on it.

In other words, the increase in cost was to a considerable extent—I think this is fair and you can check me on this if it is not right—a factor in the decision of whether to have rails on the crossing. That, perhaps, should have more technical elaboration, but you should bear in mind that the rails on the crossing add two main elements among other smaller elements that are required. One is, of course, the added weight factor which is very much changed from highway and the other is this problem of grades. The maximum railway grade, as you know, is 1.9 per cent, whereas on a highway you can work on a very much higher grade—about a 4 per cent grade—with good highway construction. Those two elements make quite a difference in the detail of design.

Mr. Macquarrie: I would like to concentrate on the section of causeway for which, after great consideration, tenders were not awarded. What would have been the saving had that portion been a portion of a crossing project on which rails were not to be built?

Mr. McIlraith: Because that is a precise question in engineering, I think I had better let the Assistant Deputy Minister answer. It should be carefully answered.

Mr. Williams: Mr. Chairman, the section of causeway which was tendered was designed specifically to carry rail traffic on its crest with the view that highway traffic would be carried on a precast concrete structure above it in order to reduce the width. The tender we called was not for a highway crossing, it was for rail. It is very difficult to say what portion of it would be eliminated because the design is completely changed if it is for a highway alone. You would then be talking of a different category altogether and this is one of the reasons we did not want to go ahead with those tenders. There had been a complete change in design. It affected the crest height, the width of the sections and, of course, what would subsequently be the highway section which would be carried above it on a precast structure.

Mr. Macquarrie: Would there be any great change in this sector of the crossing if it is decided to build without rails? I wonder if, in

the importance you are attaching to rails, you have not been able to arrive at something close to a figure on the difference in cost. We are all interested in the seemingly great importance being attached to rails. I had thought—here the layman is always at a disadvantage—that this particular New Brunswick section of the causeway was more or less a constant and that you would be building a causeway section on that portion, or is that erroneous?

Mr. Williams: No, as I have tried to explain, that specific tender was called for a railway causeway only. The highway would be on an elevated structure above it so it really cannot be related to what the cost would be for a highway causeway because, again, there is a change in crest height and width which are the substantial portions of this.

Mr. Macquarrie: Have you not done any calculations on this sort of thing?

Mr. Williams: No, I did not say that. I said that if you are trying to relate them to the tenders we have received, I cannot do this. One of the reasons we want to re-examine that portion of the causeway is that if we consider it without rail it may now be cheaper to increase the height and carry the highway on top of the causeway instead of the concrete structure we had originally proposed on a much smaller causeway. This is precisely one of the elements we want to re-examine at this stage.

Mr. Macquarrie: Could I ask if, on the whole project, you have anything yet approximating a figure of the cost of the total crossing without rails compared with one with rails? I seem to think that the poor old railway part of this project is being tagged as a most important factor in this escalating cost. It is for that reason and for the general interest of the public that I would like to get an idea of how much a factor the inclusion of rails plays in these increased costs, and then later, from other factors which seem to have escalated rather rapidly.

Mr. Williams: I think you have to take this, also, in the context of what the requirements are for each type of transportation. There is no argument that an additional transportation facility is required for highway traffic and the transportation studies which have been done clearly indicate that throughout the Atlantic Provinces a substantial and increasing requirement for truck traffic is anticipated. The possibility of an increase in rail traffic is not

indicated, in this sense. We are talking in terms of a project which is to be of 50 to 100 years' duration and whether to provide the capital now for rail traffic which can be managed by the ferry system is one of the elements involved in a decision of whether or not it is prudent to provide for rails at this time.

Mr. Macquarrie: Mr. Chairman, obviously I am not receiving the answers that would be helpful. As I recall it, we have this particular problem because a major portion of the causeway was delayed and the contract was not awarded. The reasons given by the government implied or involved the suggestion that a more economical—I am not using their words—project might be achieved with the deletion of rails. I think we should have some approximation in economic terms, not a projection of future transportation needs, to explain why the invocation of the rail removal was involved at that particular stage.

Mr. Williams: In the examination of capital costs—and here we have to deal in terms of estimates made at various points in time but they are relative—it has been our view from the basis of the estimates with and without rail that the ratio of the rail cost is about one to three. If you take it in terms of the capital we would put in for the sake of including the railway as well as highway, it would be about a third.

Mr. Pugh: I am sorry to interrupt, but do you mean it would cost three times as much to include the railway?

Mr. Williams: No, it is the other way around. The railway is one-third of the cost of the project. If the two are combined, the railway would be one-third of the total cost.

The Chairman: Mr. Pugh, have you finished?

Mr. Pugh: No; that was one of the questions I was going to ask. In your estimations, have you had discussions with the railways all through the piece about their trucking capacity?

Mr. Williams: Yes, the railways have been consulted throughout all of these designs, going right back to 1958. They have been involved in the discussions in relation to what they would require as a facility.

Mr. Pugh: Using rails?

Mr. Williams: That is correct.

Mr. Pugh: In view of the fact that the railways are engaged rather heavily in the trucking business, were they asked that in the event rails are not provided across the causeway what facilities they would use instead? Were they asked if they would use trucking facilities or the ferry system for carrying rail cars?

Mr. Williams: I am afraid this is in an area that is dealt with by the Department of Transport. I do not have dealings with the railways on this aspect.

Mr. Pugh: Perhaps the Minister could answer the question.

Mr. McIlraith: This is an area that relates to the Minister of Transport's policy on railways, but I think I can give an answer to your question, if I understand you correctly. The railways now have a crossing over this Strait by means of a ferry and if they continue the crossing by ferry it will not in any way lessen what they are now doing because, unlike motor vehicle traffic, apparently they do not indicate an expected substantial increase in rail traffic. So we are working on a different factor altogether.

Mr. Pugh: If there are no rails on the crossing, would not a good deal of whatever is now transported by the railway across to the Island by ferry then swing over to trucking?

Mr. McIlraith: I am afraid I cannot give you a full and satisfactory answer to that question because it gets into the area of certain rail studies that deal with rail policy.

Mr. Pugh: It seems to be extremely important.

Mr. McIlraith: I will tidy up the question for you if you want to—

Mr. Pugh: I will put my question this way. Whenever railways have gone on strike the trucking industry has, not altogether but to a great extent, taken over and been able to do the job. I am not putting in a brief for trucking or anything like that, but this has been the experience which Canada has seen, not only in the mountains, but on the Prairies and, I imagine, down in the farthest Eastern provinces, as well. Something which should be investigated is that if rails are not included on the causeway, will this have too much effect on the actual usage of the causeway for both passenger and freight vehicles?

Mr. Williams: I think it is fair to say that the forecasts that have been done on transportation, even with the railway maintained at its present capacity, anticipate a very heavy increase in trucking in Prince Edward Island, New Brunswick and Nova Scotia.

Mr. Pugh: Does the forecast show that the increase in trucking would be derived from a decrease, perhaps, in actual rail freight?

Mr. Williams: No, and here, again, I am speaking from reports I have read of which I am not the author nor have I been a party to the discussions that took place. However, as I read them they do not necessarily indicate this would mean that the railways would do less business. It is just a case of anticipating that a much greater transportation movement will take place in trucks.

Mr. Pugh: I mean on a percentage basis; would trucking increase more than rail carriers?

Mr. Williams: Yes.

Mr. Pugh: That was my point.

I do not want to leave the subject of this causeway, but do you know whether any study has been made of the causeway between the landed portion of the Province of British Columbia and Vancouver Island?

Mr. Williams: Not by the Department of Public Works.

Mr. Pugh: Has any request been made to the government?

Mr. Williams: I am not aware of any specific request.

Mr. Pugh: Has any request been received from the Province of British Columbia?

Mr. Williams: Not to my knowledge.

Mr. McIlraith: I am not aware of any such request.

Mr. Pugh: I guess I had better send Premier Bennett a telegram.

The Chairman: Next on my list of speakers is Mr. MacDonald followed by Mr. Gauthier.

Mr. MacDonald (Prince): A few moments ago both the minister and the Assistant Deputy Minister referred to the fact that no increase in rail traffic to and from Prince Edward Island was expected.

Mr. McIlraith: No, I do not think I said that no increase was expected.

Mr. MacDonald (Prince): Your actual words, I think, were: "We do not expect a substantial increase".

Mr. McIlraith: Yes, that is right. Actually we do expect an increase in motor vehicle traffic; they are not on the same basis at all.

Mr. MacDonald (Prince): If you have some figures on this, I wonder whether you would put them on the record? I do not think it is very satisfactory just to have impressions. I think it is important to have a statement or some statistics for the last 10 years showing both truck and rail traffic either by weight or by actual number of cars.

Mr. Williams: That would not be in our province, really. We would have to get those figures from the Department of Transport and I will find out whether they are available.

Mr. MacDonald (Prince): I think it is important to get these figures because it seems to me that an essential decision on whether or not there are rails on the causeway is dependent upon some factors you might claim are not under your jurisdiction, but will certainly affect the over-all situation of Prince Edward Islanders which, I would hope, is part of the primary concern for constructing the crossing in the first place.

Mr. Williams: That consideration and review is done by an interdepartmental committee under the chairmanship of the Department of Transport for which this Department and the Department of Finance provide information.

Mr. MacDonald (Prince): Studies are already available.

Mr. McIlraith: That is right.

Mr. MacDonald (Prince): In fact, I have one right here that was published just a few weeks ago and, I believe, the Maritime Transportation Commission did an extensive study on this.

I would like to go back and review because I am under the impression that about three years ago there was a great deal of discussion about whether or not there would be rails on the crossing. Indeed, it is my impression that a decision was taken not to have rails on the crossing and then at a later date, before the actual announcement in July, 1965, the decision was reversed or, at least, it was decided that due to further facts that had become available it would be necessary to include the rails on the crossing. Is that correct?

Mr. Williams: I am not aware of any decision taken that there would not be rails.

Mr. MacDonald (Prince): Perhaps this was during the stage the consultants were working on it, but there certainly was that impression abroad in the Maritimes and, indeed, there was quite a bit of public debate for a period of time about whether or not there would be rails. More statements were made for a time that there would not be rails and, finally, it was implied very definitely that there would be rails.

Mr. Williams: I am not aware of any decision not to put them on the crossing.

Mr. MacDonald (Prince): Am I right in assuming that there was considerable discussion regarding this during that period of time?

Mr. Williams: Yes; when the interdepartmental committee was considering the economic feasibility of this, of course they had to consult with the railway.

Mr. MacDonald (Prince): That is right.

Mr. Williams: They also had to consult with this Department to provide cost estimates for the various elements.

Mr. McIlraith: There is one difficulty running all through this project in that there has been a great deal of speculation and assumptions were made long before decisions were taken because of the high interest in the project. While there may have been something that caused the start of speculation on the subject, the speculations were not founded on fact. We have this all the time; we have had it during the last few months. A great many things have been written and said that were not based on fact. Some of them were made true by subsequent events and other were not.

Mr. MacDonald (Prince): Two of the assumptions that were made in July, 1965, were that construction would be generally completed by late 1970 and that roughly \$30 million a year would be spent. One only has to check the estimates or the actual expenditures to realize that the figures fall far short of \$30 million a year and except for brief references both to the press and to the House early in 1966 neither the Minister nor any other member of the government has implied that the completion date would be later than 1970. In fact, the Minister of Transport very recently implied that no completion date had ever been given.

Mr. McIlraith: That is right.

Mr. MacDonald (Prince): I would like to put on the record, Mr. Chairman, right now—

Mr. McIlraith: Just before you do that I want to make it very clear that that is one of the assumptions you will not find in the statement we made.

Mr. MacDonald (Prince): I would like to read the press release from the Prime Minister's office of July 8, 1965. I would like to place it on the record because I think it forms a valuable part of the background of this discussion.

Office of the Prime Minister
Press Release

Date: July 8, 1965 For Release. 10:00 a.m.

The Prime Minister announces that tenders will be called this year for construction of a combined tunnel, bridge and causeway to span Northumberland Strait between New Brunswick and Prince Edward Island.

Estimated cost of the nine-mile structure will be \$148 million. Construction will take at least five years.

The announcement, made by Mr. Pearson in association with the Honourable J. Watson MacNaught, Minister of Mines and Technical Surveys, culminates 10 years of detailed study and fulfils what many have considered an important part of the terms under which Prince Edward Island entered Confederation in 1873.

Engineers describe the project as one of unparalleled complexity.

Three sections of causeway will be combined with a three-mile bridge and almost a mile of underwater tunnel to provide both rail and road access from the mainland to the island. The precast concrete tunnel will be under a shipping lane 1,000 feet wide and a minimum of 32 feet deep.

No crossing has ever been attempted over a comparable distance where tidal conditions, weather and ice were equally severe. The only project approaching the Northumberland crossing in scope is the

14-mile crossing of Chesapeake Bay in Virginia. The Canadian project, however, as well as coping with unparalleled tide and ice problems will provide both railway and highway connection.

First tenders will be called in December. Work is scheduled to begin next April. With maximum progress, work will be completed in late 1970. Approximate expenditure for each year will be \$30,000,000.

This is dated July 8, 1965. I could go on to read in greater detail the technical aspects of the causeway, if you wish, but I think that is the important part that pertains to our discussion at the moment.

Now that impression was gained by a great many people because it was made by the Prime Minister in July of that year, before the political press became more apparent. It would seem to me that if there is confusion or misleading reports, it is partly because of statements such as that one.

I would like to return for a moment to our specific discussion of the rails because I think this is a critical question, and I am glad to know that the government of Prince Edward Island are as deeply concerned as we are about the possible removal of the rail from the Northumberland Strait crossing.

Mr. Williams: May I interrupt you sir, for just one moment. On the statement that you read from, the qualifications were: "at least five years" and \$30 million, with maximum results.

Mr. MacDonald (Prince): That is right, but it also says this:

With maximum progress, work will be completed in late 1970.
Is that right?

Mr. Williams: It qualifies.

Mr. MacDonald (Prince): There are lots of qualifications, Mr. Williams. It also says:

Approximate expenditure for each year will be \$30,000,000.

I would suggest that \$10 million or \$15 million, is an estimate far from \$30 million. And the year previous to that it was even less; it was something in the order of \$1.5 million. I do not believe, and I do not think you would argue the fact, that expenditures of this size included in estimates over the past two years

would in any way, shape or form, ensure the completion of a project of this nature by 1970. One might even question by 1975.

Mr. Williams: As I say, the completion date was qualified; it would be at least that. That is all I can say on that.

Mr. McIlraith: This subject was dealt with again in Charlottetown, where there was a great deal of publicity, and it did not seem to get picked up. But it was very firmly put out by television and radio and to a rather substantial meeting with all members from the Island present to hear it. I want to just read a sentence from my own remarks on that occasion, and these were amplified.

For that reason I must make myself quite clear. We will proceed with all due speed, but under no condition will we consider compromising the quality of this magnificent project for the sake of a schedule. We realize the complexity of the undertaking, and we know we will face all sorts of problems along every inch of the nine mile crossing.

I could perhaps dig up other references in that July 12 or July 13 meeting.

Mr. MacDonald (Prince): And then you deferred the causeway in the fall of that year to the March of this year, and it has now been deferred indefinitely. How does that match up with your statement—

Mr. McIlraith: We did not defer it. It is proceeding precisely in accordance with the statement, and this is one thing that is clear on this Northumberland crossing. We have been on the statement and consistent with ourselves throughout, and you will see that if you check the documentation. I think the best evidence of that is from your own statement on the question of privilege in the House of Commons some days ago. Anyone who reads that carefully and with attention will see how accurate we have been in all this. In the actual document we said we expected to call tenders for the New Brunswick part of it at the end of 1966; we actually called them in the early part of January, 1967. If anyone suggests that is off schedule on a project of that complexity, certainly the engineers and the people in the industry do not.

Mr. MacDonald (Prince): Am I not right in suggesting that that section of the causeway that was supposed to have been called last fall was the section that should have been

called last spring, with a start on construction last summer?

Mr. McIlraith: No. You are not at all correct on that.

Mr. MacDonald (Prince): When was that construction to have begun originally—and I do not mean after one or two of the deferments or rescheduling, or whatever they are referred to as.

Mr. Williams: On July 14, 1966. The first major tender call will be in the fall of 1967. We are not in a position to give precise dates. In general, the tender call here will be in the order of two months.

Mr. MacDonald (Prince): No, I do not mean that period. I mean back even earlier than that, because that was after the remarks of the Minister of Finance in his budget about this business of rescheduling. I mean originally, in July and later when the sod was turned in November, when it was contemplated that you might be able to finish it in late 1970. What then was the time scheduling on that date?

Mr. Williams: The Department has never said they would finish it in 1970.

Mr. MacDonald (Prince): That is no progress, late 1970.

Mr. Williams: It could, but never has said that it would finish it in 1970.

Mr. MacDonald (Prince): Why was the date 1970 used then? This is a ridiculous kind of semantic game.

Mr. Williams: Well it is the case that when the project was initially announced it was felt that with the maximum of progress it could be, and that was the case at that time.

• (10:52 a.m.)

(Translation)

Mr. Gauthier: My question is for the Minister. First and foremost, we are interested in knowing what it is going to cost...

The Chairman: Would you please wait a moment, Mr. Gauthier?

Mr. Gauthier: First, we are interested in finding out the cost. We have just heard some rather conflicting opinions expressed. If my understanding is correct, that it is going to cost about \$200 million to serve a population of about 250 thousand then I feel that the project is unacceptable. The Minister told us a short while ago that in 1959 the cost was

estimated at \$23 million. I would like to know, first, whether this amount refers to the total cost of the project, including roads and railways?

(English)

Mr. McIlraith: First of all, I would like to clear up one point. I do not think this project should ever be treated as something to serve the one hundred thousand people living on the Island only because it is something quite different than that. It is connecting two provinces that are not able to be connected by any other land means. We have never approached it from the point of view of a service only for the benefit of the Island people because any revenue accruing from the benefit of the crossing will be shared as well by those off the Island. I want to clarify that part of what I take was inherent, if I understood the translation correctly, in the early part of your question.

Mr. MacDonald (Prince): Mr. Chairman, could I just interject and add to the Minister's statement. In respect of the justification for this project, may I remind you of the tremendous subsidy that is presently paid annually by the government to upgrade the ferry service which, hopefully, would be reduced or abandoned altogether with the construction of a crossing.

Mr. McIlraith: Yes, that is right. Also, there is the obligation—I do not know whether you call it implied or not but it certainly is a very real obligation to me—to provide access to the mainland, which is inherent in confederation if you have studied the arrangements at that time.

Turning now to the \$23 million—and perhaps Mr. Williams or Mr. Lalonde will add to my comment that amount was, in the original estimate, the amount of capital cost required to add the railway facilities. I am sorry; perhaps I should have that more fully and better technically explained by Mr. Williams, because it may be the key to the whole thing.

Mr. Williams: Mr. Chairman, the \$23 million referred to the costs which would be paid. It would be the actual cost or the value of lands which would be flooded on the shorelines if a full causeway was built because, with the change in tide, the increase of water levels at various points along the coast would flood out private properties cottages, wharf structures and so on. It was not the cost of the project.

(Translation)

Mr. Gauthier: We may therefore conclude that this \$23 million did not cover the construction itself, but only the damage caused by the construction.

(English)

Mr. Williams: No, it is not necessarily the total damage. It was an assessment of the values of the lands and the facilities that would be flooded at that time if we proceeded with the full causeway.

(Translation)

Mr. Gauthier: To return to the matter of the cost of the project, does the Minister agree with the opinions expressed a short while ago, that it is going to cost \$23 million a year for five years?

(English)

Mr. Williams: \$150 million is the estimate of the project in July of 1965 when it was announced by the Prime Minister—\$30 million a year for five years—

(Translation)

Mr. Gauthier: I would like to know one further detail. The Minister told us that on the New Brunswick side the causeway would be 2 miles long out of a total length of 9 miles. I would like to know whether the causeway is to be as long on the Prince Edward Island side? Also, I would like to have specific details on the length of the causeways, the bridge and the tunnel.

(English)

Mr. Williams: Mr. Chairman, perhaps Mr. Clarke could obtain the elements.

Mr. G. T. Clarke (Chief Engineer, Department of Public Works): I am indicating on a map the causeway section coming off from the New Brunswick shore; then you have the bridge section; then an island which is like a causeway, where you make your transition from the bridge; then your tunnel section; and then you come up on a ramp section or causeway coming out of the tunnel.

(Translation)

Mr. Gauthier: With regard to the middle section, what is the distance separating the two causeways?

(English)

Mr. Clarke: Eighteen thousand seven hundred and fifty feet, which is three and a half miles.

Mr. Gauthier: And the tunnel?

Mr. Clarke: The tunnel is 7,000 feet, which includes your approaches getting into it. It is 4,000 feet between ventilation towers.

Mr. McIlraith: Perhaps you should explain the significance and importance of the railway grades that are required.

Mr. Clarke: I am indicating where you come off the bridge. The highway is carried on the top chord of the bridge, the railway on the bottom chord. The highway could have a four per cent grade; the railway is coming down about to 1.9. In the tunnel section the railway rules at 1.9. To determine the length, you want 32 feet of water over the top of the tunnel, so this point becomes fixed. Then from that point you run out your grades in each direction to come up to the land. This is a cross section of the tunnel, two highway lanes and the railway in the centre, coming out the causeway approaches, your tunnel, and then as you come up out of the tunnel.

(Translation)

Mr. Gauthier: I am now speaking once again to the Minister. The cost which you quoted us, estimated at about \$150 million in all, is simply the cost of a roadway. Are you therefore going to do away with the railway and construct only a roadway which will cost \$150 million?

• (11:02 a.m.)

(English)

Mr. McIlraith: No, no decision has been made—and I want to make that very clear—to delete the railway. The bids received showed that after allowing for the increase there is in construction costs—allowing for those elements—there was still a very substantial increase in costs; the cost of the project had sharply increased. What is now being done is to examine the design in detail to see what the costs will be with various modifications of the design, including those with no rails on it. But when I spoke about the government having decided not to accept any of the tenders submitted and to reassess the design of the project—I went on to speak about the cost, including rails and the crossing—I said that it appeared that it was going to be much higher. I quote, in reference to our discussions with Premier Campbell.

At his request the government has agreed, in its reassessment of design, to examine—

and this is an element that seems to have been overlooked.

—whether a simplified method of including rails on the crossing would be practicable.

I do not want to try to define that at this time, but the kind of thing you should think of is whether it is feasible and does anything really substantially favourable to your costs. I do not know whether the possibility of a railway crossing that would be used, say, only certain hours of the day, would be feasible or not because I have no idea, but it may well be because that element has not been assessed. If you were to ask me what the effect on the cost of doing that would be, I could not give it to you. That is also being reassessed because from the point of view of use of the crossing a number of hours a day, I think I could say, would be fairly reasonably acceptable to the railway interest and to the users of the railways if it meant getting them on there and was otherwise acceptable.

As I said, that particular phrase in that statement seems to have been overlooked. Now there may be nothing in it, I do not know at this stage.

Mr. Macquarrie: Could I ask a supplementary? What was the position of the government before the request of the Premier?

Mr. McIlraith: Well, just exactly what is contained in the statement. We are going to reassess.

Mr. Macquarrie: In other words, without rail.

Mr. McIlraith: No, no. We are going to reassess all the costs to ascertain whether there was any way of redesigning this to reduce the costs, and also, in the light of the experience with the bids—we had four bids from very good combinations of contracting firms—to reassess the cost of the whole project with or without rails, or in variations—changes in design consequent on what the actual bids revealed as to what the costs would be.

Mr. Macquarrie: In that case, what was the purport and value of your expression: “at his request, we agreed to” if you were in fact going to do it anyway?

Mr. McIlraith: No, I did not say that. What he requested was here. I think the statement is precise. We gave him the whole considerations; we gave him the full information, which we have given the committee. He asked—I will read it again:

At his request the government has agreed, in its reassessment of design, to examine whether a simplified method of including rails on the crossing would be practicable.

Mr. Macquarrie: What would you have been examining had he not requested that? This is what I would like to know.

Mr. McIlraith: The whole design, to get the costs within some area that would be reasonable, and this would involve whether the tunnel should be lengthened or shortened, the bridge lengthened or shortened, whether there is a way of eliminating one factor;—a complete reassessment of the design to get at these costs in light of the known costs as revealed by the bidding, and translated into the other elements of the crossing rather than just on the causeway section on the New Brunswick side.

Mr. Macquarrie: Well, I would like to know what was added to your reassessment process by his request?

Mr. McIlraith: Exactly what it says here:

At his request the government has agreed in its reassessment of design, to examine whether a simplified method of including rails on the crossing. . .

Mr. Macquarrie: You were not going to do that before he requested it?

Mr. McIlraith: No, it had not been done before, and had not been envisaged in the reassessment, and it was a new element that he requested. He said: "Now in doing this make very sure you see whether there is not a possibility of getting—the term I have used there—a simplified method or restricted use of the railways". It is "restricted use of the railways". This is what he suggested and we agreed to do that for him because he was pressing very hard.

Mr. Macquarrie: So that you were considering either an ordinary, shall we say complex use of railways or no use of railways?

Mr. McIlraith: That would be right, an ordinary use of railways or no use, yes.

Mr. Macquarrie: I see; thank you.

Mr. MacDonald (Prince): Mr. Chairman, I have a further supplementary on this very point. In analysing this simplified design, are you not still faced with the same factors you were anxious to avoid, those of grade and weight?

Mr. McIlraith: Yes, you will be facing those same factors, but remember we are now facing them in the light of a pretty good pattern of costs for the different factors. We know, for instance, when you come to the approaches to the tunnel there are certain types of construction to go in there. We know we can project what certain parts of that work will cost much more accurately than we could before. It is dangerous for a layman perhaps to analyse these things, but it is fair comment to say that some of the factors in the bids were exactly on the original estimates, and some of the factors were sharply out from the original estimates. And you have to assess the other elements in the total cost in relation to those factors that were out and were sharply increased. This is the point.

Mr. Loiselle: Mr. Chairman, I have a simple question to ask. Instead of having two sections of tunnel, was any study made of having only a bridge from New Brunswick to Prince Edward Island? In other words, would the cost be different, sir?

Mr. Williams: It was examined and studied in the initial study and the cost, as forecast at that time, was substantially higher than a combination of them.

Mr. Loiselle: Higher?

Mr. Williams: Yes, because on the relatively shallow portions you get into a situation where a causeway becomes relatively cheap. As you get into deeper water, of course, the causeway becomes progressively more costly.

(Translation)

The Chairman: Mr. Gauthier.

Mr. Gauthier: Mr. Minister, may we still assume that, even with the simplified method you mention with regard to the railway, it will still require at least a third of the total cost to instal this railway.

(English)

Mr. McIlraith: For a normal operation that is about right.

Mr. Isabelle: Mr. Chairman, I have a few questions. This is a joint-program?

Mr. McIlraith: No; it is a federal government project.

Mr. Isabelle: If you simplified the method in your reassessment, does that mean you are going to have a mini-causeway and a mini-railway?

Mr. McIlraith: I cannot forecast what engineers will come up with and recommend.

Mr. Isabelle: We know very well today that railway transportation is an obsolete thing. I imagine that within the next 15 years railroads will disappear. I hope that the government, in its projection, will delete this thing today in order to avoid a repetition of what happened in respect of the Pont Jacques Cartier, Montréal—the tracks are still there but are never used. I can visualize the good old interprovincial bridge right across here with tracks on it not being used. I think this means of transportation is going to be replaced in the near future by some other method.

Mr. MacIlraith: Well, I do not know that I could agree with all that. I am aware of the rapidity of change in these things, but we have assumed, from our information, that the Island needs the railway. That assumption has not been made idly; it has been made on an assessment of these factors.

Mr. Isabelle: Yes, but this is only to reduce costs, as was said. You are caught between putting the rails on or not putting them on.

Mr. McIlraith: We are caught between providing the railway service this way, if the capital cost of doing so makes it economically reasonable and providing freight crossing by ferry for the railways. But we have always assumed that we have to provide that railway crossing, that they need the railways and they are using it, and that this is going to continue. We have not made any other assumption and that assumption has been made, as I say, not idly but on information fed in by the Transport Department experts and the railway people.

Mr. Isabelle: You are subsidizing the ferry transportation, then.

Mr. McIlraith: Yes, very heavily. It is very costly.

Mr. Isabelle: Is it a very costly business?

Mr. McIlraith: Yes.

Mr. Isabelle: It would be cheaper by mini-rail.

Mr. McIlraith: Well, I do not like the word "minirail" in this context. This is a big, complex project and I do not think there is anything "mini" about it anywhere. It is a real tough one that is going to take good, sensible judgment and good application to do it the right way in the best interests of the country and that is what we mean to do.

An hon. Member: Good engineers.

Mr. McIlraith: Well, we think we have good engineers.

Mr. Isabelle: The last question, Mr. Minister, is can you tell us how long it is going to take to re-assess the whole affair? Is it going to take 25 years?

Mr. McIlraith: No.

Mr. Isabelle: Because in the matter of bridges our experience around the area is that it usually takes 25 years.

Mr. McIlraith: You are speaking of the bridges around here. We have no problem of having to get the concurrence of all governments as we do for the bridges around here. This is a federal project and we get good co-operation from the provincial governments and we keep them fully informed. But basically it is a federal project and that means, in the decision-making process for getting on with the engineering and so on, we do not have the delays that we have in the bridges or prospective you have in mind.

Mr. Isabelle: In other words, we could say that when it is solely a federal project it takes less time to accomplish.

Mr. McIlraith: I think that is a fair assumption.

(Translation)

The Chairman: Next to speak will be Mr. Leblanc (Laurier), followed by Mr. MacDonald (Prince).

Mr. Leblanc (Laurier): The Louis-Hippolyte-La Fontaine tunnel-bridge was opened recently in Montreal and, from what I learn here about your tunnel-bridge, it would seem that the processes used in constructing the tunnel, that is in constructing the tunnel away from the water, or as the "old-timers" used to say "dans l'eau, en cale-sèche" in dry-dock—would be almost the same.

Yet, the Louis-Hippolyte-La Fontaine tunnel-bridge is obviously much shorter than the one which you are here proposing to construct. Do you intend to use the same process, namely the caisson process, for the construction of the Northumberland tunnel?

Mr. McIlraith: I attended the opening of the tunnel about which you speak and I do not see anything comparable between the tunnel you were talking about and the one involved in the crossing. For instance, all you have to do is to drive a car through the Louis-Hyppolite-La Fontaine tunnel and you will notice the grades at once. The significance of the difference in grade involved is apparent immediately. There is also the difference in length and depth of water to consider. They are quite different and perhaps Mr. Williams should follow up my answer and give further details.

Mr. Williams: Mr. Chairman and gentlemen, in the method by which a pre-cast element would be floated out and sunk in dredged channels are covered, the basic principles would be the same. As the Minister has mentioned, there are substantial differences in terms of location and in terms of requirements. The present scheme involves a rail as well as a highway vehicle crossing so that you add to the ventilation problem. As the Minister has mentioned, the problems are great. It is a longer section.

Mr. McIlraith: We must consider the kind of weather in the straits.

Mr. Williams: Yes.

Mr. McIlraith: In doing construction in the straits the weather there is not comparable to that in Montreal.

Mr. MacDonald (Prince): Mr. Chairman, some comments have been made about the possible eventual expiry of rail transport in this country which I think is likely rather short-sighted no matter what part of the country one is speaking for. In fact, when I was conferring with my colleague to the left I reminded myself of the considerable studies that are now going on which might result in a radical change in rail traffic. It might mean travel at many hundreds of miles an hour by air jet, perhaps, or something of the nature of a hovercraft. So I think a rail traffic in some form or other will be with us for a long time to come, particularly in the movement of heavy goods.

A number of factors that make it particularly relevant to Prince Edward Island I would like to put in here, because I think they are important. We do move a substantial amount of rail traffic every year. Incoming is a lot of bulk fuel, fertilizer, various heavy equipment, construction materials, gravel, steel and that kind of thing. Outgoing we ship, of course, our major export potatoes, other forms of vegetable produce and a small amount of fish.

One of the unique problems for Prince Edward Island is the fact that we move almost as many empty cars on and off the Island as we do loaded ones; simply because it is almost impossible to consider moving a full car off the Island, taking it to its destination, unloading it, loading it again with something for Prince Edward Island and bringing it back.

To support that statement, in the years 1959 to 1964 there was an average of approximately 28,000 loaded shipments either to or from the Island, but a total of 55,000 cars actually were moved, so that some 27,000 empties were carried either to or from the Island. In checking a more recent year, I see that about 15,000 loaded cars came to the Island so we would have this tremendous problem if we had to convert wholly to trucks.

I know of very few shippers who would think it economical to load a truck, say in Charlottetown or Summerside, move it to Montreal, Toronto or Boston and then bring it back empty. Even to ship with a 65 per cent back freight would considerably increase the cost. In making just a rough computation, with a 65 per cent back freight to Toronto or Montreal we will be faced with the prospect of at least doubling our shipping costs and, at certain times and with certain materials, we would, in fact, treble our transportation costs to and from the centre of Canada.

If one does not think this would be discriminatory, one only has to consider the difficulties we have in being competitive with the present system of freight subsidies for traffic that moves to and from the Maritimes and particularly Prince Edward Island. So there are special problems that certainly will have to be taken into account.

Another general area I would like to comment on is the proposal the Minister made in the House, and again today in the Committee, that one of the possibilities is the construction of a crossing which would eliminate rails al-

together and the establishment, then, of a limited ferry service for rail transport. I should very much like to know the views of the Canadian National Railways on this subject because I have been lead to believe they have some very strong views that this would be a very difficult service for them to operate and if it were necessary for them to operate this service they would see it not as operating a "ferry" but "ferries," because they could not consider operating one ferry. It would just not be practical from their standpoint. They certainly would need to have a second ferry to cope with the heavy traffic seasons, the dangers of breakdown from time to time and the annual refit.

I think extensive study should be given to this matter, not only by the Northumberland Consultants who are basically in the field of construction, but by such groups as the Maritime Transportation Commission, this intelligence unit that produced a recent transport study. There is a danger that we might end up by paying a substantial price for the construction of a crossing and also inflicting on the government a yearly subsidy for rail transport. The only hopeful sign for a government would be for the rail to be phased out eventually which would certainly not be either hopeful for or helpful to Prince Edward Island. So we are faced with a very substantial problem here.

I am also a little bit dubious about the proposal for the simplified design because it seems to me that basically you are not going to reduce your costs greatly. If you go for a simplified design you are still going to be faced with the problem of grade and you are still going to be faced with the problem of weight. You will eliminate the double section which we talked about in terms of the bridge and causeway portions, but I do not think you would radically change, the sections of the tunnel because it would not be affected materially.

So we will be affecting two portions of the crossing only and these two portions would not be affected substantially. I think it is a bit of a wishful-thinking enterprise to consider that this is a possibility and I would be interested to know, even at this early date, what difference there would be. I realize I cannot get a figure here, but perhaps you could estimate a percentage difference between the cost of the rails on a simplified design and the cost of the rails on the design that we have been working with until now.

Mr. Williams: Mr. Chairman, if I could speak to the first point about the necessity for looking at the total transportation system, this is being done. The reports to which you refer are the basis on which we are looking at this and the use of railways, and certainly is discussed not by Public Works—we are interested in the construction part—but by Transport. This is part of their over-all look. It has to be examined when we have our figures for the construction of this and the alternatives.

Mr. MacDonald (Prince): Is it also true to say, Mr. Williams, that there will be opportunities for contacts with the Transportation Department of the provincial government and the Maritime Transportation Commission, which would have a great deal of information and be in a very strong position inasmuch as they would be materially affected by changes of this kind.

Mr. Williams: I know there is contact between the two. Obviously there is in the preparation of all these reports. I am quite sure there are these contacts but it has not anything to do with me, particularly.

On the question of price for the simplified railway, as you said I cannot give an estimate and I cannot even give a ratio because of the very points you have raised. At this stage we do not know what the simplifications are. We cannot do it until we get to the railroad. What is acceptable to them? What can they do? So at this stage I just cannot give you any idea what this would be, but it is another idea and we will examine it.

Mr. MacDonald (Prince): One thing has not been mentioned and I am anxious to have it mentioned to make sure that it is still part of the project. When the project was announced, and again last summer when the project was elucidated in some detail at the sessions in Charlottetown, it was mentioned that provision will be made on the whole of the crossing in the first instance for two lanes of traffic and, in the foreseeable future, the expansion without great cost to four lanes. I presume plans call for width all along the bridge, causeway and tunnel for this provision. Is it still considered that this provision will be kept so that, say, in the space of the next 15 to 20 years—I am thinking particularly of the tremendous tourist traffic that operates in the summertime—we will be able to expand to these four lanes?

Mr. Williams: This is still a factor for consideration. It has affected the design substantially and now we are looking at the cost. We have to examine what the provision for the expansion costs, what it is relative to capital now or the possibility of capital at a later date, so all this will be part of the cost study.

Mr. Macdonald (Prince): But am I not right in suggesting that if provision is not made now for an eventual widening to four lanes it will be next to impossible to do, or so prohibitively expensive that the likelihood of its being considered at a later date will be extremely doubtful?

Mr. Williams: That is my impression of it. That is why the design was put out the way it was for the first stage. It would be relatively easy to expand at a very low cost and we will have to examine this again. But I am not going to predict at this stage what eventual design we will come up with on re-examination, but certainly the element will be in there for a two lane highway with the cost to expand to four lanes.

Mr. MacDonald (Prince): You said that in the earlier design it was relatively easy to include the four lane possibility. Are you suggesting that if we lower the top of the highway from the second deck to the first deck we would, perhaps, make it much more expensive to consider this possibility than it was previously?

Mr. Williams: I cannot say, flatly, that it will, but as an example if you have a solid causeway, obviously if you are going to provide for two more lanes you have to provide another 30 feet of width initially. In the case of a bridge, that was one of the reasons the first causeway contract was called out on a narrow causeway with the railway on the bottom and carrying a highway up above, because you could cantilever out two more lanes on a bridge structure and it is relatively simple.

All of these alternatives have to be re-examined; can we save money by any of these alternatives, or can we not, in the light of the prices we got?

Mr. MacDonald (Prince): So, this is another interesting factor. In attempting to save money by the exclusion or the simplifying of rail traffic we may, in effect, be hemming ourselves in from an eventual expansion because of cost of the highway traffic.

Mr. Williams: No, that is not so. Our terms of reference are still in terms of traffic. We are to provide for traffic projections and they are projected, not on a 10 or 20 year basis, but ahead, because obviously whatever we build is going to be there for 50 to 100 years.

Mr. MacDonald (Prince): But it would seem to me—again if Mr. MacIlraith calls himself a layman I do not know what I must be in this Committee because I certainly have less than his information or expertise in this matter—that if we do get to the point of having to accept a highway that is right on the causeway deck and do not have the option that the bridge would have afforded us, there would be quite a limiting factor in the minds of your Department, and perhaps of the Government, of allowing for this provision. Certainly in the light of events of the last few months, it would seem a very fearful prospect in my mind.

Mr. Williams: I can only repeat that our terms of reference are for a two-lane highway and we are to provide the capability for expansion to four lanes as traffic projections require it. This is what we are looking for.

Mr. MacDonald (Prince): If I may come back to a comment made by the Minister earlier on the matter of the most recent tender that was not accepted, he suggested that some of the factors—I think five factors in all were included in this tender bid—were on, and I believe three of them were almost right on, the amounts that were anticipated by the Department in calling for the tender, and that only in two factors were the costs in excess. Simple mathematics in my mind must lead me to suggest that the factors were tremendously in excess, running into the hundreds of percentage points. Is that the case; is this a correct assumption?

Mr. Williams: Yes, on certain items there was 100 per cent variation.

Mr. MacDonald (Prince): On which particular items?

Mr. Williams: On durable rock.

Mr. MacDonald (Prince): On durable rock?

Mr. Williams: Yes.

Mr. MacDonald (Prince): Could you give us a brief, or perhaps a not too brief, explanation of how the estimates of your Department, particularly in light of the information that was available to you, could be so vastly removed from the actual lowest tender, and

we are only talking about the lowest because obviously the others were many millions of dollars greater still?

Mr. Williams: Not exactly; the two low tenders were within \$400,000 on \$42 million, so they are very close. I think, in terms of the armour rock you can look at it to bid it in two ways, and you can look at it to estimate it in two general ways. They could look at that portion of the project as being a very desirable one because it got them on the job, in place, with the experience and set up, so there would be a real competitive incentive to go after and get that.

Now, it is also true that in order to do that section of it, there is a very substantial mobilization, and we have a payment in for mobilization which we would make; but the payment for mobilization is just a financing payment to get them started so they have some money coming in before they are producing anything. It by no means represents the total cost of mobilizing for that kind of a job; it is in terms of equipment; in terms of quarries; in terms of setting up their transportation systems to move the materials; and in this area we very much underestimated, or the consultants very much underestimated.

In making their estimates they did not do it off the tops of their heads, they did not do it as a group of engineers, they went to the contracting people and talked to them and tried to assess how it would be bid and what the prices would be. There was a very major element in this of the companies who were bidding.

Each one that I have talked to—and I have talked to representatives of the four—said: This is no place for us to take a chance: We would like to get in first, we want to be there, but we would rather be in the position of having made an investment on which we have collected our money in advance so that anyone who bids the next time is going to be bidding against us with our facilities there and our investment made. With the cash reserves and their credit they way they are at the present time, they said: We are going to have our money out on this one, and then take our chances on the next one, rather than the other way around. Now that was a basic part. They wrote off in total their capital as they saw it, much of which would be applicable to subsequent contracts of which they were aware. They also had our view of when the timing of it would be.

There were other elements in it that were complicated. They involved the source of rock. The drilling at the New Brunswick quarry and the investigations we did during 1958, 1959, 1960, and 1961 established that it was not good rock. It could not be used for armour stone, it was not durable, it could not stand any cycles of freezing and thawing at all, but it could be used as core material provided it had a very solid protection, much more protection than you would normally expect for a marine job. It required a degree of protection that was greater than we had ever done.

So you had your bulk material coming from one quarry and you had to go elsewhere to get the rest of the quarry material—the hard rock. Now, the difficulty is that the more hard rock you want, the more it costs, because in quarry operations to get the big sizes you are wasting 100 per cent. For a yard taken out, you are throwing away a yard unless you have some other place to put it; and this is not the case in this job.

Now, in the consultants' view and in their assessment of it, they had a value on this. Well, if the value is there it still would be there, but no one was going to offer it to us at this point in time; we might get it in the next contract because they would be in a bidding position against anyone else with that material, but we were going to pay for it in the first contract.

Those two elements, in themselves, put a tremendous amount on this. We talked to these contractors, and each of them came in and said: Well, look, we will negotiate for reductions. Because they were all individual, I cannot disclose the negotiations but very substantial reductions were possible. The only trouble was that if we negotiated with the two or the four we were inhibiting the kind of review we wanted to do if we took those figures and applied them against the total of the rest of the project. We were in a position that the changes would be so substantial that that kind of individual negotiation was not an effective way to get your price; it would be better on a re-bid.

Mr. MacDonald (Prince): Just taking the increased cost factor and applying it to the whole of the project as it was laid out, by how much would it have increased the overall cost of the crossing in your view?

Mr. Williams: If you take it in terms of my view, I can give you an almost unlimited

range of what this would be—that is, from contractors, from the consulting engineers, and our own review of it. Including the escalation which we had to forecast—which goes back to 1965—if we looked at this I could see that if we used those units, and where we did not have a repeat of the units and making allowances for haul for other locations of it, and if we used the same kind of percentage increase that we got on the particular unit we had—which is not really valid, you know, but it is one way of looking at it—I could see this project going to \$300 million. Obviously, at that stage, we have to re-examine the whole thing because this is done in relation to a ferry service.

Mr. MacDonald (Prince): Now, to go back to the tender bids by these contractors and the fact that they were attempting to amortize their complete capital cost in establishing these quarrying operations, unsure of whether they would get additional contracts and be able to amortize it over the distance, had any thought been given to the possibility, in light of that action by these companies, of letting a whole series of contracts now in order to allow these companies to amortize through the piece?

Mr. Williams: Yes, we looked at it initially and it was too big for anyone all in one chunk, and also in terms of time; you got to a point where you never caught up. You were never in a position to call tenders because something was always changing. In terms of escalation, the contractor just would not bid it that way.

But, to be quite frank with you, in the re-examination that we are doing we made an assumption one way on getting that New Brunswick Causeway out because it looked like a good job and we thought we would set the market by getting low prices. Part of the re-examination in doing this was in the light of the way they bid on that. Now, what combinations can we make which might be more attractive?

We have discussed this with the bidders and as we develop the designs and the re-examination of it we will be having meetings with those bidders to get their input on what is the best way for them to bid. Now, they have all kinds of suggestions, some of which the Government can accept and some they cannot. They want payment for escalation as a separate item; this is something we have to look at. We looked at it before, and we made

certain changes in our contracts for that particular job, and we have made others. I assume you were at the meeting in Charlotte-town, and you will recall that one of the points many of the contractors raised was that we make a separate payment for escalation.

There are other things. They suggested we should buy a quarry, we should say where they would work, and how they would do it. This is one method. It has its drawbacks as well as its advantages because you cut out the possibility of someone else having another method—some other way of doing it—where you could save money. But, obviously, we have to re-examine all of these alternatives.

Mr. MacDonald (Prince): It appears, Mr. Chairman, that as we get into this project, and as the Minister has already stated, we are dealing with enormous sums of money and an enormous project and, as has been clearly stated, a project in which we have very little previous experience. Even Mr. McCulloch, when he goes into this, talks about the Chesapeake Bay endeavour, and it is mentioned in the Prime Minister's statement as the only one similar. But it is not similar; there are so many differences that there is not much sense in comparing them.

One of the things that crosses my mind, in light of everything you have said, Mr. Williams, is that perhaps we have gone about this in the wrong way, that in attempting as free enterprisers to allow this project to be carried on by private industry, we have been expecting too much from them, for instance, in the sense that here was a firm bidding on it, realizing that they had no knowledge of whether they would get additional contracts, and having to say to themselves: To develop these quarries, we must amortize the whole of our capital cost in this one operation. This may be all right as far as they are concerned, but it certainly puts quite a financial strain on the Government.

Then they also said to themselves—and while you have not said this it could be inferred—When we are bidding on a project of \$42 million, we cannot afford to be off by \$4 million or \$5 million, otherwise we will lose our shirts; therefore, we have to allow ourselves a fairly significant cushion in terms of changes that could take place in the building industry, rising costs of materials, and so on. So, all in all, it could indeed accelerate and greatly increase the cost.

I would like to think that at this point, considering what has happened to date on the project, the Government and the Department would give serious consideration to the establishment of a Crown corporation that would not be faced with many of the problems that you reiterated for us. It would seem to me that a Crown corporation easily could face this project with a different point in view; it would not have to concern itself with trying to pay for an amortized quarry operation in one segment, or whether it should be started on one side or the other, affecting costs later on. It could be handled from the point of view of doing it for the most reasonable price possible as well as getting the most efficient and necessary structure.

It would seem to me that since the project is going to run now—I think it is safe to assume—close to \$200 million at the very minimum, regardless of what kind of shifting goes on—simple increases in costs and developments with regard to the obtaining of this material will run at least to \$200 million—when you get into that kind of a figure no matter how you cut and square it for different companies, there are very few companies that will not have to add on a considerable figure just to protect themselves. This is something that a Crown corporation established for the life of this project would not have to do. I think it would be an immense saving to the people of Canada if the project were handled in this fashion.

Mr. Williams: Well, at this point it gets to be almost a philosophical sort of a discussion which we would have with contractors. Many contractors have said the same thing: We will do it, we will do it cheaply, we will do it efficiently, we will do it better than anyone else; all you have to do is pay us a management fee and we will do it, we will buy the equipment and we will do everything else. Your first problem is trying to figure out which is the company, and then you get down to the argument of what is reasonable.

There is one very sure way of finding out what is reasonable, and that is by those tenders. There are these elements that you have to provide for, but there is also the fact that his money is on the line as well as yours. He has to get the job first, and he is putting his money in it. There is a combination element. Personally, I do not like the idea of a Crown corporation being created to do this. You would have something to manage it, yes; we are doing this within the Department, and it

is the same thing. The Crown corporation is either going to buy everything or hire the contractors to do it just as we are doing. So you have the parallel situation anyway because you are not going to start out with company "XY" and suddenly have them go out and buy all the equipment and all the quarries to amortize it across that job. They are certainly going to subcontract; they will parcel out this and that, and they will get this and that. If they do not, they are crazy.

There is a skill and a capacity in the country now which we can use for them, and we would be foolish to try to create another one.

Mr. MacDonald (Prince): It seems to me that we are building in elements of risk and expense that are unnecessary to the project. I am not suggesting a Crown corporation that we establish would, in itself, own equipment, or perhaps in the sense that we might normally think of a construction company, be actually involved in doing the construction, but it could then break down the construction segments as this contract might have been broken down. Surely to goodness after 10 years of investigation and research and the establishment of Northumberland Consultants itself which has I think three offices in Charlottetown, Bayfield, and Montreal, it is in one sense increasing our own expense by only allowing Northumberland Consultants to be supervising engineers without perhaps building what we have already established by way of Northumberland Consultants into a larger operation that could, in effect, be the actual corporation to build the crossing.

Mr. Williams: We are talking, in part, design and we are talking, in part, construction. If you mean that there has to be better and more exchange in the input from both the construction side and the design side, I agree with you. This is what I say we endeavoured to do on the first tenders, but we did not do as well as we should have. We have talked to the contractors since and said: You put it one way when we first talked to you, now it is a different way; so before we complete our designs we are going to check these out with you and get your problems before we get to the contract stage. And we are doing this.

Mr. MacDonald (Prince): I will pass for a while, Mr. Chairman.

The Chairman: Mr. Macquarrie.

Mr. Macquarrie: Mr. Chairman, there has been very little de-escalation in connection

with this subject, but I am going to de-escalate my interventions and hope to retain the good will of my colleagues.

I would like to say that I appreciate the Minister's setting the record straight in that this project is not purely for Prince Edward Island; it is a Dominion Government responsibility, and I may say a very ancient commitment that has not yet been fulfilled. We have been interested in tunnels in Prince Edward Island for a century. Sir Douglas Fox was going to build a metallic tunnel in the 19th century.

I was impressed by Mr. Pugh's intervention, and I think it is important that it be made clear that the ferrys are a very costly operation. The railway service, we learn from the discussion this morning, would constitute perhaps a third of the total cost. I would hope that your Department is taking careful note of the cost of the ferry operation, noting too that the newest of the ferrys is one which is not equipped to carry rail stock, and that one of the ferrys was launched in 1915. When you start having to provide a couple of new ferries, you will soon find that the costs for ship building have escalated too. So in that context it is not an indication that P.E. Islanders have some particular fondness for railways per se; there is an important economic fact there that must be considered.

I have a couple of very general questions. Mr. MacDonald is a clergyman while I am only a layman. I would like to know how much of the existing plan is still relevant, and how fundamental this re-appraisal is? In other words, are you, and are we as vitally interested people, starting from scratch on this project?

Mr. Williams: No, no, by no means. All of the data and information we get is valid, it is fact, and they govern the designs to a large degree. So the re-appraisal is whether you design for this condition and is this the most effective design for this condition, and is there a saving that can be made in the light of the bids you got for those kind of items?

Mr. Macquarrie: When do you think you will be finished with this particular re-appraisal and be able to proceed?

Mr. Williams: I cannot comment on that; there will be decisions made by Government at that stage.

Mr. McIlraith: It is pretty hard to give you an effective answer to that question I cannot tell how long the consultants will take; I hope and expect they will not take very long, but that is a pretty loose answer.

Mr. Macquarrie: A year?

Mr. Williams: Going back to our discussion about the situation of its being at least five years, on the basis of things developing as we have discussed them among ourselves and with the consultants and how long it would take them, and bearing in mind that we have pinpointed certain areas that they have to look at to ascertain what they can do on design and costing of these—here again it depends on the packaging we, with the contractors, put together on how we are going to attack it the next time we call, assuming we call tenders in this form, we would call so that their mobilization could be under way to get going in 1968.

Mr. Macquarrie: In 1968?

Mr. Williams: That is right. That is on the actual—and here again I hesitate to say "filling in the causeway" because then I am pre-judging what you decide—crossing, as opposed to mobilization of plant and equipment and quarries.

Mr. Macquarrie: You may add all the "at leasts" and "maximum progress" you like but what does that do now to an eventual target date for completion?

Mr. McIlraith: I do not know what it does to it. It could be argued that it may not do anything at all to it as the present situation is. I do not know the answer to your question. It is unrealistic as of now to try to give a precise date for the termination of the construction on the completely finished operational causeway crossing when we have not even finally settled on the final design of what is being put there. It becomes an exercise that I do not think is helpful to anybody.

Mr. Macquarrie: As of now, is 1970 a very realistic date?

Mr. McIlraith: I do not think it is, but I have a whole file on this subject, if anyone is interested in pursuing the dates, pointing out rather clearly that it was five years with maximum conditions and in various statements I sometimes pointed out what the maximum conditions in this crossing were. That was the only figure that was really talked about at that time in that press conference

when the release was made, or subsequently. In respect of maximum conditions may I say that in sinking certain types of caissons in that depth of water, taking into consideration that the weather in that strait is such that you have about a six week period of good weather expectancy for that particular detail of operation, a storm of three days could cause a year's delay. The reason I appear to be very reluctant to give a precise date is in the light of that kind of known factor. You know what ice conditions are in that strait; you cannot make provision to the same extent during winter construction to meet ice conditions as you can to meet other problems when working in earlier months of the year when the weather expectancy would be such as to enable you to continue work for another month or two. There are all kinds of like factors involved. For that reason I want not only to be imprecise in projecting the exact date of this crossing becoming operational, but to appear to be so.

Mr. Macquarrie: I believe that the Minister is succeeding in appearing to be imprecise and I do not quarrel with that. It is important for the development which might ensue in Prince Edward Island that the people not have impressions that would cause them to make changes in their economy built upon something which is quite imprecise in terms of scheduling, and this is why I am asking this question.

I have just one final question at this time. Am I right in considering that the Department itself, at one time, planned to build a solid causeway? If so, considering that Mr. McCulloch has proven to be quite a successful builder of causeways and that the department has had to make so many reappraisals of so many things, how can it be so sure at this stage—I am almost tempted to quote Oliver Cromwell, but there are ladies present—that his plan to build a causeway for a total cost of \$83.2 million, including the costs involved in damage to the coast from erosion and so on, is in fact not a feasible one and seemingly not worth consideration in this new reappraisal phase?

Mr. Williams: I think it is fair to say that when the department first looked at and studied this project in 1956, we were thinking in terms of a full causeway. That was all that was being considered at that time. As we studied the possible results of this construction we became aware of problems which we had not understood or realized existed when

we first started looking at a causeway. I am speaking of the problems involved in the change in tides, the wind setup and surge that would result if that Strait were broken into two bays. Some cost estimates can be put on the land values and one thing and another, but because of the problems involved the actual damages cannot be estimated. There is no way of arriving at a precise figure for these kinds of things. Neither our department nor the Department of Fisheries are able to examine these unknown factors and determine what the results would be. The position of the government—it is not a recent position; it is one that has been taken throughout these studies, once we had established what the change would be in tidal regime—was that they did not wish to proceed with a project which would change the status quo in so far as the tidal regime affecting so many people on the coast is concerned because, if I can use a rough term, they would become a sitting duck for everything that would happen from then on. That is one way of putting it.

There is also the interest of the public which is, perhaps, a better way of putting it. They then looked for an alternative and we established that there was one which was feasible. This is why we are in this position.

You mentioned Mr. McCulloch's figure of \$83 million. I have not received that figure from him, but I do have his initial figure of \$60 million. The latest figure he has given to me is \$116 million—

Mr. MacDonald (Prince): That is with damage provisions?

Mr. Williams: That is correct. The figure includes \$23 million for damages and if you examine his estimate I think you will find it is about as accurate as our consultants' original estimate. It is based on certain assumptions of his design which others would not accept, as well as his assumption of pricing which still others would not accept. The \$116 million is no more valid than the estimation of \$150 million made in 1965.

Mr. Macquarrie: Except it is a bit lower.

Mr. Williams: It is lower in terms of his opinion for what he would build, but not necessarily what would be acceptable for the Government of Canada to build nor to the people of Prince Edward Island and New Brunswick.

Mr. Macquarrie: I think, Mr. Chairman, I may have inadequately opened out the discus-

sion of Mr. McCulloch's contribution. It should be pointed out that Mr. McCulloch has made a very careful and detailed study of the Department's plan. He is not just projecting what the Department, at one stage in its operations, had thought might be feasible. He has had the advantage of looking at the project which your Department is now apparently reappraising.

Mr. Williams: That is right. I do not want you to misunderstand me. I do not discount what Mr. McCulloch has done in this regard with the information he had available.

Mr. MacDonald (Prince): That was the very point I wanted to raise, Mr. Williams. Your last comment is a very salutary one because you added, "with the information he had available". I have gone through some of the exchanges of correspondence that was tabled in this regard between, I think, yourself and Mr. McCulloch, concerning his desire to obtain the hydraulic survey, referred to earlier, that was done in 1958-59. In a project of this magnitude, it seems to me that if we find someone with Mr. McCulloch's ability and interest who is anxious to pursue this, even in a detached manner and not be one of the consultants or part of a contracting agency, he should have been given this kind of information without any restrictions at all. In fact, I am anxious to know why this information is not available to the public.

Mr. Williams: Mr. MacDonald, Mr. McCulloch was given more information than anyone else on this project. That is quite true because we did make information available to him. As I pointed out, initially he had been associated with it. The Department has, in addition to this, not brushed off Mr. McCulloch's reports. Every bit of these reports has been examined in detail by the consultants and the department. The fact is that he is not the only one making suggestions because the builders of the crossing of Chesapeake Bay wanted to do a design for us. It is pointless to go on and enumerate the people who are in the same position of wanting to give us designs on this crossing. There were many of them, but Mr. McCulloch has taken more active steps than the others by publishing his views.

Mr. MacDonald (Prince): You still have not answered my basic question. Maybe I put too much verbiage around it. I wanted to know why the hydraulic survey was not made available to Mr. McCulloch.

Mr. Williams: Mr. McCulloch did have the hydraulic survey.

Mr. MacDonald (Prince): When did he get it.

Mr. Williams: Before he did his critique.

Mr. MacDonald (Prince): I have copies of an exchange of letters here in which he asked for it and was told by you that it was not available. I recently asked for it to be tabled in the House as part of the documents and Mr. McIlraith said it could not be tabled.

Mr. Williams: I am sorry, he is the only one to have a copy and there are no more copies in existence. He did have the tidal study report sent to him, but he did not receive a copy of the model study for which he asked. Even though the information has been used, the report has not been published.

Mr. MacDonald (Prince): I wondered why it was not made available to him as it would seem to be reasonably key to the whole question of whether or not his proposals would stand up.

Mr. Williams: The Department engages consultants who do a series of reports for their use in developing the information for us. By looking at what they produce, we then know what they used for their basic data. But they are prepared by the consultants for departmental use. We do not make them public.

Mr. MacDonald (Prince): But you did make other material available to him.

Mr. Williams: We made the tidal survey available to him. This is a publication of the then Department of Mines and Technical Surveys, Canadian Hydrographic Service and it is a data process sort of thing. It contains the results of a tidal survey, the computer analysis and everything else done by the Liverpool Tidal Institute. I might say that it has won wide acclaim. However, this is a little different than publishing the reports of our consultants on what they have found and recommend.

• (12.10)

Mr. MacDonald (Prince): How widely were these reports disseminated?

Mr. Williams: Which reports?

Mr. MacDonald (Prince): There were a number of reports issued by the consultants.

Mr. Williams: They were only for the use of the department and the consultants.

Mr. MacDonald (Prince): They were not disseminated at all?

Mr. Williams: No, they were not.

Mr. MacDonald (Prince): They were disseminated to a degree. I do not know whether it was done by your department or by the consultants themselves. I have seen a full set and not in the offices of anyone you have mentioned.

Mr. McIlraith: A full set of what?

Mr. MacDonald (Prince): Those documents produced by the Northumberland Consultants.

Mr. Williams: I am not aware of this.

Mr. MacDonald (Prince): Yes, you may not be. However, now that we have reached the point where there is going to be considerable reassessment and redesign, and considering Mr. McCulloch's interest and, perhaps, his more than usual ability in this field, would it not be possible now, in the light of his obvious interest and the assistance he might be able to provide, to make this material available to him?

Mr. Williams: It would be possible but, as I see it, not necessarily desirable.

Mr. MacDonald (Prince): Why would it not be desirable?

Mr. Williams: We have engaged consultants whom we hold responsible for the design of the project. Should we hire another consultant to criticize what they do.

Mr. MacDonald (Prince): That is not what I am suggesting.

Mr. Williams: No, but in effect this is what he does. He criticizes what they do. He is free to criticize on the basis of what they have decided to do. He is not responsible whether he is right or wrong, but the consultants are responsible to us. If we accept Mr. McCulloch's criticism, neither he nor the consultants are responsible.

Mr. MacDonald (Prince): Let me put it to you this way, Mr. Williams. Would you rather have an uninformed or an informed critic because it seems we are going to have a critic either way, regardless of the merits of the critic.

Mr. Williams: Mr. McCulloch is, as you say, informed, at least in part, and is being critical and we are taking advantage of the reports

he issues, to the degree any of it is relevant. We will have other critics and we have had suggestions already from some of them. Whether their criticisms are as good as Mr. McCulloch's or not is a debatable point. I have some prejudice in the matter; I think McCulloch's is better, but that is because I know him better than the others. Apart from that, I do not see why we should do this. Either we will be responsible for what we build or we will not.

Mr. Macquarrie: If I may interject, surely the protection of your consultants from criticism is a very small matter in a project of this magnitude.

Mr. Williams: It is not a question of protection but of responsibility.

Mr. Macquarrie: I think your major responsibility is to take advantage of the best and finest minds available.

Mr. McIlraith: Exactly; that is what we seek to employ in all this business and I presume and have every reason to believe that is what the former government did when they retained the consultants which we still have on the job. I have found nothing in the project so far that would indicate any wish on the part of a responsible government to replace these consultants by others.

Mr. MacDonald (Prince): Surely the fact that we are discussing this whole problem here today is evidence enough that regardless of the individual merits of those who make up Northumberland Consultants, and I have no way of ascertaining that, we should take very seriously and in the best light possible the kind of constructive criticism—I believe it to be essentially constructive criticism—that Mr. McCulloch is attempting to make. But to treat him in this kind of childish fashion, and I regard it as such, does not seem to make sense.

Mr. McIlraith: Mr. Chairman, I just want to clear up a matter here. It is quite unfair and quite unwarranted of the responsible member to say that we treated McCulloch's commentaries in a childish fashion. We immediately directed that his commentaries be examined thoroughly by the consultants and independently of the consultants, by the engineers in the department. We gave it a very thorough and complete treatment. Having done that and having taken even more time than some members of the House of Commons would have wished us to take to do it

thoroughly and properly, when it was completed the results were put in what I would call layman's language, by the appropriate engineers. The results of those two, who had done it independently before they came together, were given to the House and then repeated here today. I think that is treating very, very seriously and very objectively the input of Mr. McCulloch, who has issued a critical analysis of the project, as he sees it. Surely that was the right way to treat it and we have not been the least childish about it.

Mr. MacDonald (Prince): There is a basic illogicality, though, in your reasoning. First of all, you say that Mr. McCulloch will make his report and then you say that you will not supply him with sufficient information for his report to be as concise or as incisive as it might be. Without sufficient information it would be difficult, perhaps, for any engineer—

Mr. McIlraith: We cannot make the consultants answerable to Mr. McCulloch. He does not have the responsibility for this project and if we start making the consultants responsible to him, how in the world can they carry on their work? How could any group of engineers carry on their work under these circumstances?

Mr. Macquarrie: I do not think we are talking about the consultants but about their information.

Mr. L. Lalonde (Deputy Minister, Department of Public Works): Mr. Chairman, Mr. MacDonald has just said something which, I think, must be answered right away. You said we asked Mr. McCulloch to make a report. Nobody ever asked Mr. McCulloch to make a report. He decided by himself to make a critique of the plan that was announced by the Department, but nobody ever asked him to make a report nor does he carry any responsibility. If his suggestion was accepted and proved to be the wrong one, who would be responsible, Mr. McCulloch or the Department? Mr. McCulloch would have absolutely no responsibility and if he wanted to have the responsibility he should have accepted the commission which was offered to him, in the first place, and which he turned down. That puts a different light on this thing.

Mr. Macquarrie: How long ago was that?

Mr. Williams: It was in 1958.

Mr. Macquarrie: That is quite a while ago.

Mr. McIlraith: It was before the consultants—the first group—were appointed.

Mr. Lalonde: That is correct. This opens up the question of getting personal opinions from other engineers or, in another situation, other lawyers or other doctors. This opens up a whole trend in responsibility in so far as the government, the Department or even a private individual is concerned. If you go to a doctor who is responsible for looking after you and another doctor says that he does not think your doctor is very good, this is free advice which you should reject if you hold your doctor responsible. In exactly the same way every time we have a project and we hire consultants, whether they be architects or engineers, there is always another person who is quite willing to give some free advice who is quite willing to give some free advice knowing he has no responsibility.

Mr. Macquarrie: To follow your analogy, sometimes specialists do call in other specialists.

Mr. Lalonde: Mr. McCulloch is no more a specialist than the firms that were chosen at the time. They are all equally good.

Mr. Macquarrie: Surely Mr. McCulloch, who is the builder of the Canso Causeway which is not an insignificant project, is something more than just another engineer. The Government of Canada placed responsibility in him some time ago.

Mr. Lalonde: This is so true that he was considered to take part in the design and he, of his own volition, rejected it.

Mr. Macquarrie: In 1958.

Mr. Lalonde: In 1958; he had his chance. If the other consultants had rejected the commission they could not come back now and say that they would like to do it.

Mr. MacDonald (Prince): It seems to me that both the Cabinet and Northumberland Consultants would be willing to accept any advice at this point. To follow the analogy of the doctors, when a doctor suddenly finds that he has to change his mind on his treatment and another doctor is willing to give certain advice, he will neither treat it lightly nor ignore his advice so that his information and expertise can be fully available to him.

Mr. McIlraith: Mr. MacDonald, could I ask you a question for clarification? Why do you recommend that we accept the advice con-

tained in Mr. McCulloch's documents when we have had the documents examined, point by point, over a period of time in a thorough and detailed way by the consulting firm and our own engineers, independently, and when, among other things, if you read the documents yourself and from the information you have, as a layman, you can see that his estimates on rock costs are further out than the estimates of the consultants? How do you reconcile that? I am a little uncertain as to how to accept your proposition and to understand it.

Mr. MacDonald (Prince): I have never said that Mr. McCulloch's design should be accepted. I do not think I said it this morning; I have never said it in the House and I have never said it publicly or privately. What I have said is that it seems to me that Mr. McCulloch has gone to considerable trouble to analyse the material available to him, to criticize it independently of what he would recommend and then to go on and recommend his own proposition which was for a solid rock causeway with locks. What disturbs me is that in Mr. McCulloch's attempt to evaluate a program, which has been admitted here and in the House must be re-examined and reassessed, the Department seems unwilling to allow him tools sufficient to do a job that might be much better than the one he has already done.

Mr. McIlraith: I do not think that my Department has been unfair or has not allowed him anything to which he is entitled. I do not understand your proposition. You happened to mention Mr. McCulloch's kind of comment because his letters get publicity. It is not my responsibility how or why they get this publicity. Why do you not say the same thing about any other letter that has come in suggesting some other things? I do not want to be facetious about this, but some of them suggest things that I am sure responsible engineers discard.

Mr. MacDonald (Prince): Exactly.

Mr. McIlraith: Just a moment—this was examined by the best professionals in the country to see if there was anything in his documents about which we should take account in the design or in the other elements involved. Having done that, why should we then wipe out that advice and substitute his? I just do not understand you. The people who gave us that advice are responsible and answerable and have put their jobs in the line, but his is not.

• (12.30)

Mr. MacDonald (Prince): This seems to be the Japanese approach of saving face rather than getting the project done—

Mr. McIlraith: It is not, Mr. MacDonald. If you go right through the history of this project you will find that here was a man—this was before my time—who was invited to join and who rejected that offer. Since then there have been 10 years of rather intensive work and study on this project by great numbers of engineers feeding in the data and he has chosen, and quite properly—this is his business if he wishes to do so, with his own private establishment—to come out with a critique of what someone else has done. The government treated that as seriously as it possibly could and had that commentary examined in detail by Northumberland Consultants—by the way, I think, in view of this discussion we had better put on the record just who they are and what the set up is—and we had the same thing done independently of the consultants by our own departmental engineers who have some knowledge in these matters and some experience in it, too, so there would be no suggestion of one influencing the other. As a result of those two examinations which we thought was the best way to have the commentary evaluated, it was decided not to accept his proposals. We made a statement, in layman's language, of the results of that study. In the light of that I am mystified as to what it is you now wish us to do with Mr. McCulloch. Do you wish us to have him retained as a consultant instead of the other firm, or what do you wish us to do with him?

Mr. MacDonald (Prince): I would not close any options, but I think Mr. McCulloch's criticism would have been accepted for what it was worth had the whole project gone ahead as envisioned in July of 1965 or even in July of 1966, but we have gone through a series of events which leads one to question the credibility of the design structure. You, yourself, said the thing has been in the works for some 10 years and every possibility has been considered. Yet we are sitting here this morning faced with the prospect of a reassessment or a re-evaluation of almost every aspect of the construction.

Mr. McIlraith: No, that is not right; that is quite wrong.

Mr. MacDonald (Prince): If I am wrong I will be happy to be corrected.

Mr. Williams: It is the basic principle. Mr. McCulloch says we should build a full causeway and he is not concerned with the land damage or the rest of it. That is the only thing he will say and the only thing on which he will comment. He says we will have trouble building the others. We know that we will have trouble building them, but it is the alternative which we prefer from the standpoint of maintaining the status quo. That is the difference between Mr. McCulloch's position and ours.

Mr. Lalonde: Two successive governments have already decided on the policy. They have told us that the fisheries in the Strait are not affected and that the tidal regime is to be affected as little as possible. This is a matter of policy. Once we accept that then we have to reject the proposal of a solid causeway, no matter what advantages it might otherwise present. Once the policy has been given to the Department then there is no point in saying that we are going to have a solid causeway or to even consider it. The only advantage we can get from Mr. McCulloch's report is that we can look at the length of the causeway without affecting the tidal regime or the fisheries.

Mr. MacDonald (Prince): One of the things I think we are in danger of overlooking here is that Mr. McCulloch's criticism seems to perform two basic functions, only one of which is the one we seem to be dealing with here and that is his proposal with regard to a solid rock-filled causeway. It seems to me that he has spent an almost equal amount of time in evaluating the weaknesses or the strengths of the proposal that was currently being considered by the department and, indeed, in his second edition he goes to some length to break down the various costs of items that would make up the Northumberland Strait crossing. He then goes into some discussion on the weaknesses. The thing that concerns me is not so much whether McCulloch's proposal for building a rock-filled causeway is a good one, but that in his criticisms of the weaknesses—for instance, the icing about which he talks, the impact of the ice that there would be upon the piers supporting the bridge or even its effect on the causeway portion or what possible damage might be done to the ventilation and building units that will be on the little island that goes into the tunnel—it seems to me that until my mind and the minds of others have been put at ease that we are open to the criticism of brushing over these too lightly. If the information that

has been available was available to Mr. McCulloch, perhaps he would no longer argue that these very considerable dangers were being built into the design that is under consideration.

Mr. Williams: We did take into account and have examined again the things about which he was concerned. He was concerned about rafting ice; he was concerned about ice ridges. We examined these and checked them out with the consultants. We asked the consultants what they had designed against and found that they had designed adequately to take care of every one of these situations. Mr. McCulloch is aware that we examined these and that we have designed for them. He just wants to build a causeway.

Mr. MacDonald (Prince): You said something there that makes my heart stop a little. You said you had checked them out with the consultants and they stuck to their present design. You see, this again gets us into the rather knotty problem of having some very real doubt as to whether or not his criticism at this point is not, in fact, justified.

Mr. Williams: No, it is not. We checked them out because we wanted to do a detailed examination of McCulloch's report. I had the report and said that I wanted it checked out in detail. The Minister instructed me to do this. I could have put it in a file or something like that, but the Minister said that I was to check it out with our own people and with the consultants and I did. We found that we had designed adequately for these things.

When you are talking about changes in design you were obviously not talking about changes in design where we would say that in order to make it cheaper we will assume half the ice stress for which we have provided. We are going to stick exactly to what we need. When we talk about whether the ice will climb up the slope and push over the ventilation tunnel, we are not going to say that that cannot happen and so we will not design for it; we are going to make sure that it does not happen and it will not. We have done these things.

Mr. MacDonald (Prince): Perhaps I can put my question in another way and ask whether any of Mr. McCulloch's suggestions have been acceptable, have altered the views of the department or have all his suggestions been unnecessary or unrealistic?

Mr. Williams: No, they have not. He has said we should examine the alternative of

lock and bridge which we did previously and which we are re-examining.

Mr. MacDonald (Prince): So some of his suggestions have been accepted?

Mr. Williams: Yes, but they were suggestions in respect of things that we were doing in any case. Similarly, we initially examined a rock-filled causeway too, what he is now suggesting and what he always has suggested, though we had reviewed it and considered it before, and the consequences.

Mr. MacDonald (Prince): What I am really asking is whether any of the specific comments, criticisms or suggestions have in any way altered in your minds or the minds of the consultants the project as it was envisaged?

Mr. Williams: No, not apart from this—

Mr. Macquarrie: Nothing has changed at all either in your thinking or planning as a result of Mr. McCulloch's suggestions?

Mr. Williams: Our thinking and planning has changed but no, not in response to Mr. McCulloch, because he has said things which we have considered ourselves, and we have taken into account his reassessment of it and some of his suggestions on this only because they were part of the normal reassessment we were doing in any case.

The Chairman: May I now give the floor to Mr. Bower, who has been waiting a long time.

Mr. McIlraith: Gentlemen, before we finished the other discussion I said we would put the names of the consultants on record. Perhaps you could read out the names of the three firms composing Northumberland Consultants Ltd.

Mr. Williams: Yes, the three firms composing Northumberland Consultants for this purpose are: H. G. Acres and Company Limited of Niagara Falls, Ontario and Saint John, New Brunswick; Langevin, Letendre and Monti, Montreal, Quebec and Shippegan, New Brunswick; Canadian, British Engineering Limited, Toronto and Halifax.

Mr. MacDonald (Prince): Could I also ask, if you have it there, to put on the record the total that has been spent to date on design and research—in other words, apart from actual construction?

Mr. McIlraith: Could we go ahead in the meantime and get that for you later.

Mr. Bower: Mr. Chairman, I have a question, the answer to which, no doubt, has been given in other places at other times. However, it has not been asked here and I think it appropriate that the answer be in the record of this meeting, since we have covered the whole spectrum in respect of a crossing to Prince Edward Island.

The concept of a tunnel has no doubt been considered. Is that so?

Mr. Williams: Yes.

Mr. Bower: What is the estimated cost of adequate tunnelling to serve the crossing—and I will not attempt to describe the design?

Mr. Williams: I do not know actually whether they came out with an actual cost figure but I am afraid that I cannot give it because the idea was dropped at the first feasibility study back in 1958 when we were faced with a problem similar to that experienced by the English authorities in respect of the English channel. In terms of what we were trying to do, bearing in mind our terms of reference, this was our problem; we had something like 10 or 11 mile tunnel for railway grades and a ventilation problem, and an 11 mile highway, with consequent ventilation problems, to be drilled through—and it had to be drilled; there was no way of doing a precast in that sort of thing—rock, which was not good rock in terms of whether it would be fissured or sound.

Mr. Bower: Permian sandstone largely?

Mr. Williams: Yes. The only alternative that could be thought of in those terms was a shuttle electric rail service on which you would load your cars on and off rail trains. When you took it in terms of operating cost and in terms of capacity in relation to the ferry this, on the face of it, was not economical. At least, the other proposals were much more economic, so they were dropped at that stage.

Mr. Bower: Mr. Williams, do you know what the estimates of the English Channel crossing are?

Mr. Williams: I suggest to you that the estimates on the English Channel crossing are not as accurate as the one that was given in July of 1965, and they range from \$400 million to \$600 million. I am speaking from my knowledge of them through published articles and, to my knowledge, they are no more precise or engineered beyond what they were three years ago.

Mr. Bower: Thank you.

Mr. MacDonald (Prince): Before I speak, Mr. Williams, were you going to put some figures on the record?

Mr. Williams: Yes, in respect of the engineering costs. The total expenditure to March 31, 1967 is \$4,955,519.16.

Mr. MacDonald (Prince): While we are dealing with Northumberland Consultants, is consideration being given, in light of the considerable error in costs estimates and also the question now of redesign, in some way to change the structure of Northumberland Consultants—adding to them in some way, to ensure that as we go forward with this project we will not be faced with a series of activities because of being confronted with changes affected by engineering or costs?

Mr. Williams: I tried to distinguish between redesign in terms of stresses and strains and redesign in consideration of cost elements, and this is what we are doing. Suppose the consultants made an error in estimating—a broad term. What yardstick do you use to say when the error is such that someone should be penalized and someone should not. It depends on the basis on which it was made and how carefully it was made. The consultants did as searching an examination to provide them as they were able to do; they consulted, as I say, contractors and so on. You know, the contractors themselves are in a position of saying: "Well, we made an error of 30 or 40 per cent too." The one that is high always says that.

In terms of reconstituting them, we are not in that sense. What we are doing, as the Minister has announced, is proposing Colonel Churchill as the Department's representative to co-ordinate their efforts because we feel we would like, particularly at this stage of time, to go ahead and have them working at top speed and in the most efficient manner possible to get the project underway. That is the purpose of his moving in as a co-ordinator, and he will be responsible for that job and that job only.

Mr. MacDonald (Prince): I do not think it has been clearly stated yet what Colonel Churchill's responsibilities will be, when he will come on staff, and whether he will be in the employ of Northumberland Consultants or the Department?

Mr. Lalonde: Mr. Chairman, I think you learn a great deal through experience when

you are tackling a project on which there is no previous experience. You have said it yourself; the elements of this project are brand new, and nobody can say who is right and who is wrong until it is built. It is only then that the proof of the validity of the design or of the method of construction will be apparent. One of the things that I think we learned was that with all of us being busy at other things, in addition to the Northumberland Crossing, and with the consultants being in Montreal, in Bayfield, New Brunswick and in Charlottetown, there was a lack of immediate liaison between the Department and the consultants. I was the first one to recognize that and suggested to the Minister that in the light of our policy of delegation of authority the Department should have a very senior representative in Montreal and during construction on the job site to represent the Department, with power to make decisions and to ask questions, however pointed they may be. We felt that the best man available at this time for this particular task was Colonel Churchill, and I think we will be successful in securing his services.

Mr. MacDonald (Prince): Have you already secured his services?

Mr. Lalonde: Yes; we still have to sign our agreement. It is a matter of detail. The task that he will be asked to perform is to stay in the same office as the consultants to make sure that their assessment of the alternate design and their respective costs is so complete that it answers all the questions that anyone may ask; to conduct discussions between the consultants and the contractors who are interested, such as Mr. Williams mentioned a moment ago, and to report to us immediately any problem that he sees arising from day to day—not to wait until a month or two has elapsed, when we get a progress report. During the course of construction he will have the task of supervising it. I think his reputation in that particular field is so good that it would be hard to find anybody better. So with this added close liaison and power of decision-making on the job site and in the design room, we should eliminate some of the misunderstandings that may have occurred in the past.

Mr. MacDonald (Prince): How much freedom will Colonel Churchill be given in respect of his responsibilities?

Mr. Lalonde: My concept of delegation of authority is to always delegate to a person

whom you can trust implicitly all the authority you have, so as far as I am concerned he is going to have the same authority as I have. He is not going to have the authority of ignoring the Treasury Board or the Cabinet but otherwise he will have full authority.

Mr. McIlraith: You might say how he reports.

Mr. Lalonde: Because I am not an engineer, quite often there are areas in this field in which the language is a little rough for me, so we have arranged that he would report through Mr. Williams to me, and I would report to the Minister, the Treasury Board or Cabinet as required. Otherwise, he has a direct link with either the Senior Assistant Deputy Minister or myself, or the Minister of course.

Mr. MacDonald (Prince): When is it expected that Colonel Churchill will be taking on his responsibilities?

Mr. Lalonde: Actually, while I said the agreement was not signed, he has already started being interested in the project and he has had a meeting with the consultants. Of course he still has to tidy up some of the things in which he was involved at Expo. We are hoping that he can do this and at the same time begin to be briefed because he has to be briefed in detail right now or say, within the next month. Then we want him to take a short holiday before he pitches in on a full time basis.

Mr. Williams: Could I add, sir, that the arrangement we have is that he is being briefed; we have had meetings at which we have outlined the scope of briefing and the sort of thing involved. Within the next—I will confirm the date tomorrow morning—but he will be briefed completely either by the end of this week or early next week, following which there will be a week of discussion between himself, myself and others in the Department on what the program will be for the consultants for the following month, following which we expect Colonel Churchill will be there on a full time basis.

Mr. MacDonald (Prince): Will he reside in the Maritimes, during the life of this project?

Mr. Williams: Once the work is well under-way he will spend a very considerable part of his time on the site but he will not necessarily reside down there.

Mr. Lalonde: Even during the construction

period the consultant's office will remain in Montreal. There will be periodic inspections by Colonel Churchill of the site to see how the construction is progressing but he will still maintain his headquarters in Montreal.

Mr. MacDonald (Prince): One of his responsibilities—if not a major one—will surely be to see that the various segments of the project are completed on time or as close to that time as possible?

Mr. Lalonde: I would hope so.

Mr. MacDonald (Prince): I would think that would almost necessitate his being in the area of the project rather than some seven or eight hundred miles removed from it.

Mr. Williams: Not necessarily.

Mr. MacDonald (Prince): We disagree.

Mr. Lalonde: I think we can trust his judgment on which is the best way. If anybody has any experience along those lines, he has.

Mr. Macquarrie: Well, Mr. Chairman, I think it is splendid that Colonel Churchill's services have been secured. I would not like to exalt him as a superman and now that so much information is available I hope that my question in our parent body, the House of Commons, may be answered.

Mr. McIlraith: What question was that?

Mr. Macquarrie: About Colonel Churchill.

Mr. McIlraith: You asked for the document, did you not?

Mr. Macquarrie: Among other things.

Mr. McIlraith: I think I should explain something to the Committee. The news of Colonel Churchill's appointment leaked out from Montreal and was published in the press the day before we had intended to release it. Actually, it was in the press the morning we were meeting to tidy up the final details before making the formal announcement. It is unfortunate that it came out that way, but that is what happened. That explains the omission of a formal announcement of his appointment on that Friday. It leaked out in the *Montreal Gazette* before the release, which was to have been made later that morning. It was in the press and we could not very well—

Mr. Macquarrie: It was a scoop.

Mr. McIlraith: Yes, but a scoop is sometimes not as accurate as it should be. The

press report was basically good but some of the little details that should have been in the original story were not included, a few things like that. There is no objection at all to giving you all the information you ask, it is just a matter of the right time to do it.

Mr. MacDonald (Prince): When you were discussing earlier the decision to defer or delay the contract that had been originally awarded last fall, even if construction was not to have started then, you mentioned various matters that affected it, such as taxes and other items. I wonder if you could elaborate a bit on the necessity at that time of deferring the awarding of the contract? Tenders were called in January and the close off date was March.

Mr. McIlraith: I will deal first with provincial and federal taxes. There is no problem with respect to federal taxes because the geographical jurisdiction covers the entire area. However, there is a very real problem in deciding what elements are taxable by the provinces because their jurisdiction in this field is limited by their geographical boundaries. In connection with this crossing I do not know if the precise boundary has been settled. A satisfactory procedure had to be worked out between the provinces so that the taxes would be paid and they would not be left in the position of having to try to collect taxes from a contractor later on. These are taxes that might be in dispute because of the lack of previous experience or precise delineation of the boundaries of each province. That was the sort of thing we were talking about and an arrangement was made that I believe will covers that problem from the point of view of the provinces. As you can imagine, it will be quite an important factor in their revenues if they are able to recover these taxes in this way rather than having to resort to litigation with contractors a few years from now.

Mr. MacDonald (Prince): Was this the only factor that contributed to the delay?

Mr. McIlraith: Perhaps it should be more fully detailed.

Mr. Williams: There was also a potential problem about the matter of insurance on the project with respect to bonding arrangements. This was arranged but we finally had to take action that we normally do not take in arranging a pool of insurance and this took more time than anticipated at first glance.

Mr. MacDonald (Prince): It does seem a little strange in view of the fact that these were economic factors about which I would have assumed you had considerable warning or foreknowledge.

Mr. McIlraith: We did have a warning.

Mr. MacDonald (Prince): The fact that these were not attended to even as far back as 1965, which was a year after the project had in fact been announced.

Mr. Williams: No. We entered into discussions about this matter early in 1966, at which time we were in a position to forecast when we would be calling for tenders, which would be done interprovincially. It was at that stage that we started our discussions and negotiations with the provinces and alternately with the insurance companies as well. At times there are interests that have to be looked at and decided upon and at one stage you almost reach the point of legislation, which is something we try to avoid.

Mr. MacDonald (Prince): I now have a question which relates to the over-all project. As noted earlier in the Prime Minister's statement of July, 1965, it was expected there would be annual expenditures over the life of this project of approximately \$30 million. As I indicated, the estimates in general have been a good deal less. I could put them on record if it was felt necessary. I have them here somewhere. In 1965-66 the amount estimated was \$1,130,000. Of course, as it was only announced in July of that year perhaps it is not unusual to expect a figure that small, but even in what might have been a full working year, 1966-67, the figure was only \$10 million and in 1967-68 it was \$15 million. Now, in all cases these amounts are a good deal less than \$30 million. Indeed, if you total them up they will not come to much more than \$26 million, and in point of time this would be coming up to almost half the life of the project. It therefore seems inconsistent that we could have been providing for estimates of this amount and even with maximum progress expecting to complete it at least by late 1970. I find it difficult in my mind to match the two.

Mr. Williams: Yes, but each year's estimates are prepared with the knowledge of your status as it was at about September of the year before, so if you have not reached that point you do not estimate it for the next year. We are trying to get started and so far

all we have done is build approach roads. We did not have the demand for money and therefore it was not put in the estimates. As projects go to contract, and we may have two or three major contracts being negotiated in any one year, then we are going to be in that area. By the same token, it would be pointless for us to keep estimating \$30 million a year when we were not going to spend it.

Mr. MacDonald (Prince): When might we begin to see a sum like that in the estimates?

Mr. Williams: As we said earlier, at this stage we are not prepared to say when we are going to call the next tender and the one after that and the one after that, or what it will cover.

Mr. Bower: Mr. Chairman, as a result of borings has there been a complete and detailed geological cross section made along the line of the crossing?

Mr. Williams: Yes, there were borings established for the pier locations all the way across so we would be sure of the nature of them. If I may continue, prior to that, sir, we had the use of the detailed surveys which the Department of Energy, Mines and Resources had made up until that date, and they also did some supplementary work to establish what it would be on the cross section as well as possible rock sources throughout the area.

Mr. Bower: On the basis of core holes which were made?

Mr. Williams: Yes.

Mr. Bower: At what intervals?

Mr. Williams: And they are now down to about 400 feet.

Mr. Bower: No, I mean the intervals between them.

Mr. Williams: It is 400 feet between the holes.

Mr. Bower: And how deep have they been bored into the bedrock?

Mr. Williams: They vary considerably. It depends on what they are hitting of course. They go down to the sphere of influence of a pier. So they go 60 feet into the rock.

Mr. Clarke: Sixty feet from the sea bottom.

Mr. Bower: What is the depth into bedrock?

Mr. Clarke: Well, there are different layers or ledges as you go down and depending on what they encounter—

Mr. Bower: Let me ask the question in a more literate way. Has the Department of Mines and Technical Surveys published a geological cross section along the line of the crossing?

Mr. Williams: No.

Mr. Bower: Then how could you say that the rock was not appropriate for tunnelling?

Mr. Williams: We cannot be as specific as that, sir. You are probably thinking of the channel tunnel.

Mr. Bower: Yes. I do not think that concept should just be passed off. You said it was not feasible but what impresses me after listening carefully is this. I have heard that the objection to the solid causeway was principally because there was no way of determining what the final costs were going to be when you took into consideration the possibility of adverse affects of all kinds and conditions on people in the whole area of the three provinces involved. This perhaps went even further afield into such matters as tidal conditions and so forth. No one seems willing to put a dollar figure on such things. On the compound structure as now envisaged there seems to be a question both as to final costs and effects. A tunnel, of course, is the one means by which all these things could be avoided. However, in light of what has happened here and what I have heard about escalating costs—discounting the deflator factor—the increased cost of materials, supplies and labour, that perhaps another look might be taken at the idea of a tunnel. This project as now envisaged involves tunnelling. What is the cost per foot for the thousand feet or so of tunnelling that is going to be done?

Mr. Williams: These matters are not too relative, sir, because the tunnel we were contemplating was a precast concrete tunnel which would be laid on the bottom and covered and I think what you are contemplating is a tunnel bored through the rock strata. Admittedly when it was previously examined the estimates of cost of drilling a tunnel for the services we required were a way out of line with the alternatives that were estimated for the causeway and the causeway bridge, etcetera. You are now saying, in the light of what has since developed, that we should look

at it again. In so far as this is concerned you are correct because we looked at the proposal for the English Channel crossing and we did not know how it was proposed to work, whether it would work or what it is. But one of the other restrictions that was involved in looking at a bored tunnel at the time was that we could not at that stage see how it could be ventilated for rail and highway traffic. The alternative was to run a ferry through the tunnel by means of electric rails but the capacity to move vehicles at the time we were looking at this was not such that it would move them. In the last report we saw about English Channel crossing there were figures quoted for moving on two twin tunnels. I think the service tunnel was 24 feet in diameter. The report spoke in terms of moving a fantastic number of passenger cars and trucks on electric rails, and I agree entirely that we must now look at this.

• (12.00 noon)

There is another factor in this, sir, which is related to the rock. We are certainly going to find out how they propose to transport that number of people, because this may or may not be valid for our conditions. If it is not valid we are out of court anyway, but the information from the borings showed that they went down to minus 160, that is, below sea level, which in that location was in roughly 55 feet of water, which would be 110 feet in rock. There was about 18 feet of sand and overburden and then a layer of sandstone, a layer of silt stone, a layer of clay stone and then mudstone breccia, none of which are ideal materials but they were certainly not ruled out by what we have done to date.

The Chairman: Are there any other questions?

Mr. MacDonald (Prince): I wish to ask one short question concerning the Minister's statement in the House which was reiterated at this meeting today. Do you have the statement before you, Mr. McIlraith?

Mr. McIlraith: No. I gave it to the *Hansard* reporters in the House.

Mr. MacDonald (Prince): I will quote from the paragraph where you say:

...a review of the tunnel proposal with revised grades and ventilation requirements, and a short high level bridge over a lock.

If you are going to maintain the basic design of a causeway section, a bridge and perhaps a tunnel, what would be the necessity for a lock?

Mr. Williams: No, it is alternate to the tunnel. I mentioned this before.

Mr. MacDonald (Prince): I am sorry, I must have missed it. What you are suggesting, if you can envision it, is a very extended bridge from the Prince Edward Island side?

Mr. Williams: It would not necessarily be a very extended one because with highway grades you can go up and down 150 feet much easier than you can with rails. You would have a high level highway bridge clearing the lock, so there would be uninterrupted vehicular traffic.

Mr. McIlraith: Because of grade requirements you cannot place a bridge for a railway high enough to let ships go under it, but you may be able to do so with a short highway bridge which can go up very quickly.

Mr. Bower: Such as the Delaware River bridge at Wilmington?

Mr. McIlraith: Yes, it can go right up.

Mr. MacDonald (Prince): You are suggesting the elimination of the tunnel completely?

Mr. Williams: Yes.

Mr. McIlraith: But the matter has to be examined.

Mr. MacDonald (Prince): I would like to get this clear in my mind. The proposal is that an extension of the causeway would come out from the New Brunswick side?

Mr. Williams: Yes.

Mr. MacDonald (Prince): This would continue to a bridge and then the bridge would continue on towards the causeway again on the other side and then to the Prince Edward Island mainland. That was the possibility you were suggesting?

Mr. Williams: Yes, that is right.

Mr. MacDonald (Prince): And there would be a lock at some point to permit the passage of ships?

Mr. Williams: That is right.

Mr. MacDonald (Prince): I merely wanted to get that clear in my mind because I was tending to become confused with the possibility that there would still be a tunnel.

Mr. Williams: Yes.

The Chairman: Are there any other questions?

Mr. Macquarrie: On a point of information, the Minister mentioned receiving various suggestions from Mr. McCulloch that have received some publicity. Has any other engineer submitted a design for a causeway?

Mr. Williams: No.

Mr. Macquarrie: So to that extent he is somewhat unique?

Mr. McIlraith: Yes.

Mr. Williams: Apart from our own designs of course.

The Chairman: Shall Vote I Stand? Stand. On behalf of the Members of the Committee I want to thank the Minister, Mr. Williams, Mr. Lalonde, Mr. Clarke and the officials of the Department.

We will now adjourn until Thursday, June 22.

Mr. McIlraith: I would like to ask the Chairman or the Steering Committee for a lead with regard to what they would like to deal with at the next meeting so that I could have the appropriate officials available and ready. It would be helpful if we could have some idea whether harbours, rivers, construction or what subject may be discussed.

Mr. MacDonald (Prince): May I also request the indulgence of the Committee at a later stage to allow the other two Members from Prince Edward Island to ask any questions they may wish to raise. Unfortunately it was impossible for them to be with us today. I think they would like an opportunity to raise a few questions on this matter with the Minister or his officials.

Mr. McIlraith: I have no objection to that.

The Chairman: We will have a meeting of the Steering Committee and the Minister will be advised.

HOUSE OF COMMONS

Second Session—Twenty-seventh Parliament

1967

STANDING COMMITTEE

ON

Housing, Urban Development
and Public Works

Chairman: Mr. ROSAIRE GENDRON

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

THURSDAY, JUNE 22, 1967

Respecting

Main Estimates for 1967-68, relating to the Department
of Public Works

INCLUDING THIRD REPORT TO THE HOUSE

The Honourable George McIlraith, Minister of Public Works

WITNESSES:

From the Department of Public Works: Mr. Lucien Lalonde, Deputy Minister; Mr. G. B. Williams, Senior Assistant Deputy Minister (Operations); Mr. L. V. McGurran, Director of Financial Services; Mr. J. A. Langford, Assistant Deputy Minister (Design), Mr. Gerald Millar, Chief Engineer (Harbours and Rivers); Mr. Charles K. Hurst, Assistant to Chief Engineer (Harbours and Rivers); Mr. Henry J. dePuyjalon, Chief, Accommodation Division; Mr. W. F. Nelson, Director, Personnel Services.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1967

STANDING COMMITTEE ON HOUSING, URBAN DEVELOPMENT
AND PUBLIC WORKS

Chairman: Mr. Rosaire Gendron

Vice-Chairman: Mr. Warren Allmand

and

Mr. Badanai,	Mr. Gray,	Mr. Mongrain,
Mr. Bell (<i>Saint John-</i>	Mr. Isabelle,	Mr. Neveu,
<i>Albert</i>),	Mr. Leblanc (<i>Laurier</i>),	Mr. Ouellet,
Mr. Bower,	Mr. Loiselle,	Mr. Pugh,
Mr. Caron,	Mr. Loney,	Mr. Ricard,
¹ Mr. Duquet,	Mr. MacDonald (<i>Prince</i>),	Mr. Stewart,
Mr. Gauthier,	Mr. Macquarrie,	Mr. Watson (<i>Assiniboia</i>)
Mr. Gilbert,	Mr. Martin (<i>Timmins</i>),	—24.

(Quorum 9)

Gabrielle Savard,
Clerk of the Committee.

¹ Replaced Mr. Ouellet on June 21.

ORDERS OF REFERENCE

TUESDAY, June 20, 1967.

Ordered,—That the quorum of the Standing Committee on Housing, Urban Development and Public Works be reduced from 13 to 9 members.

WEDNESDAY, June 21, 1967.

Ordered,—That the name of Mr. Duquet be substituted for that of Mr. Pelletier on the Standing Committee on Housing, Urban Development and Public Works.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House of Commons.

REPORT TO THE HOUSE

THURSDAY, June 22, 1967.

The Standing Committee on Housing, Urban Development and Public Works has the honour to present its

THIRD REPORT

Pursuant to its Order of Reference from the House dated May 25, 1967, your Committee has made a thorough examination of the items listed in the Main Estimates for 1967-68, relating to the Department of Public Works, and has agreed to recommend same to the House for adoption.

A copy of the relevant Minutes of Proceedings and Evidence (*Issues Nos. 1 to 3 inclusive*) is tabled.

Respectfully submitted,

ROSAIRE GENDRON,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, June 22, 1967.

(4)

The Standing Committee on Housing, Urban Development and Public Works met this day at 9.45 o'clock a.m. The Chairman, Mr. Rosaire Gendron, presided.

Members present: Messrs. Badanai, Bower, Duquet, Gendron, Gilbert, Leblanc (*Laurier*), Loiselle, Loney, MacDonald (*Prince*), Macquarrie, Mongrain, Neveu, Stewart (13):

Other members present: The Hon. J. A. MacLean and Mr. McQuaid.

In attendance: The Hon. George McIlraith, Minister of Public Works; *From the Department of Public Works:* Mr. Lucien Lalonde, Deputy Minister; Mr. G. B. Williams, Senior Assistant Deputy Minister (Operations); Mr. L. V. McGurran, Director of Financial Services; Mr. C. J. Helmes, Officer-in-Charge Departmental Estimates; Mr. J. A. Langford, Assistant Deputy Minister (Design); Mr. R. B. Whiting, Assistant Deputy Minister (Programme Planning); Mr. Gerald Millar, Chief Engineer (Harbours and Rivers); Mr. Charles K. Hurst, Assistant to Chief Engineer (Harbours and Rivers); Mr. Henry J. dePuyjalon, Chief, Accommodation Division; Mr. W. F. Nelson, Director, Personnel Services, and other officials.

The Committee resumed consideration of the Estimates of the Department of Public Works.

The Chairman called Vote 30

Construction, acquisition, major repairs and improvements of, and plans and sites for harbour and river works, etc., \$31,430,000.

Mr. Lalonde introduced Messrs. Millar and Hurst, who assisted him in supplying information to the Members; Mr. Millar tabled, in English and in French, the principles governing *Federal Participation in the Construction of Remedial Works*. This document was distributed to the Members.

Vote 30 was carried.

Vote 5 was called.

Maintenance and Operation of public buildings and grounds, etc., \$76,615,000.

Mr. Lalonde introduced Mr. dePuyjalon who answered questions with reference to this vote.

Vote 5 was carried.

The Chairman called Vote 10

Acquisition of equipment and furnishings other than office furnishings, \$1,485,000.

Mr. Williams answered questions of the Members.

Vote 10 was carried.

Vote 15

Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings etc., \$48,165,000.
was called and Mr. dePuyjalon supplied information to the Members.

Vote 15 was carried.

Vote 20, under Harbours and Rivers Engineering Services,

Operation and Maintenance, \$7,924,000.
was called, considered, and carried.

Vote 25,

Construction or Acquisition of Equipment, \$925,000.
was called, discussed, and carried.

Vote 35, under Roads, Bridges and Other Engineering Services was called.

Operation and Maintenance etc., \$6,901,000.

Mr. Williams answered questions of the Members.

Vote 35 was adopted.

Vote 40

Construction, acquisition, major repairs and improvements of, etc., \$19,965,000.
was called and allowed to stand.

Vote 50

Trans-Canada Highway—Construction through National Parks, \$1,860,000.
was called and carried.

Vote 55

Operation and Maintenance of Testing Laboratories, \$1,303,700.
was called and considered.

Vote 55 was carried.

The Chairman called Vote No. 1 which had been allowed to stand. Messrs. Nelson and Williams supplied further information to the Members.

Vote No. 1 was carried.

Vote 40, which had been allowed to stand earlier, was called again.

The Minister supplied further information; with reference to the planning and constructing a causeway and associated structures across Northumberland Strait; he was assisted by his deputies.

After discussion, Mr. Loiselle moved, seconded by Mr. Leblanc (*Laurier*), that Vote No. 40 carry.

The question being put, the motion was adopted on the following division:
Yeas: 6 Nays: 3.

Vote 40 carried on division, and the Chairman was ordered to report to the House recommending the adoption of the Estimates.

At 12.35 p.m., the Committee adjourned to the call of the Chair.

Gabrielle Savard,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, June 22, 1967.

The Chairman: Gentlemen, I see a quorum.

● (9.45) a.m.

(Translation)

Mr. Mongrain: Mr. Chairman, may I speak, please?

The Chairman: Mr. Mongrain, on a point of order.

Mr. Mongrain: Mr. Chairman, I would like to stress that I have received a series of documents such as, for example, "Tendering Procedure", the Minister's notes, etc. I have received only the English versions of these documents.

I would like to emphasize that it is matter of principle, but I do not wish to do so with bitterness because I understand that it is not always possible from the technical point of view to distribute documents in French as rapidly as we might like. Nor would I like you to think that I am doing this on account of separatist leanings, but rather to hinder the spreading of separatism. However, I am emphatic that this principle of documentation coming to us in the two languages should be respected.

The Chairman: Thank you, Mr. Mongrain, no doubt your comments will be thoroughly considered and followed up.

(English)

I will now call Item No. 30.

Department of Public Works

*Harbours and Rivers Engineering
Services*

Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the Details of Estimates, \$31,430,000.

Dry Dock Subsidies—Canadian Vickers Limited, (Montreal), \$180,000: \$40,459,000.

And I will ask Mr. Lalonde to introduce the officers of his Department to the Committee.

Mr. L. Lalonde (Deputy Minister, Department of Public Works): Mr. Chairman, the witnesses that I introduced to the Committee at our first meeting are still here and they are available to the Committee.

Dealing more specifically with Vote 30, I should like to introduce two gentlemen who were not introduced at the first meeting, but who are specifically involved with this vote, Mr. Gerald Millar and Mr. Charles Hurst. We are prepared to attempt to answer any questions the members may wish to ask us concerning this vote.

The Chairman: Thank you, Mr. Lalonde. Are there any questions?

Mr. MacDonald (Prince): Perhaps I might ask a general question of the Deputy Minister. One of the things I have wondered about in recent months is how it is determined which areas are to have improved breakwaters, extension of dock facilities, dredging and this kind of thing. I am thinking, particularly, in terms of the Maritime region. Mr. Lalonde, perhaps you or one of the members of your Department can tell me what criteria are established in order that this kind of decision can be made.

Mr. G. B. Williams (Assistant Deputy Minister, Department of Public Works): Mr. Chairman, these projects are initiated either by requests from the public or from our district and regional officers. A third input is from other government departments, particularly in the marine field, such as the Department of Transport and the Department of Fisheries.

When the requests are made by our district officers or the public, a report is made locally on the existing conditions, the nearby works in the area, the terrain and some estimate of cost which, at that time, is very general because it has not been determined whether or not a substantial engineering investigation is

worthwhile. As it is a program approval item it is not within the scope of regional authority to go ahead. It comes to headquarters and is reviewed by a marine committee on which there is a representative of Treasury Board and, depending on the subject matter, representatives from the departments of Transport and Fisheries, the Atlantic Development Board and ARDA, depending where the project is. They determine whether or not further investigation should be undertaken and whether the item is one which they can recommend through Treasury Board for inclusion in the estimates or a special submission for the estimates to the Treasury Board.

Mr. MacDonald (Prince): Is it fair to ask a question concerning the number of requests in comparison to the number of actual jobs that are able to be fulfilled at any one time? What is the ratio? Is that an answerable question?

Mr. Williams: I could not attempt to give you any kind of a ratio. Suffice it to say that in any one year or in any two years we receive many requests. At present we have sufficient requests ahead of us if they are all valid to keep us going on a full program for several years.

Mr. MacDonald (Prince): You mentioned this period of one or two years. Is it the policy of the Department to establish a plan or do they envision a program that will run longer than a year—perhaps over a three or four year period—in order to put them in order of priority.

Mr. Lalonde: Perhaps Mr. Whiting, who is the Assistant Deputy Minister, Program Planning, can deal with that aspect.

Mr. R. B. Whiting (Assistant Deputy Minister, Program Planning, Department of Public Works): The intention of the reorganization is to at least try to get a five year forecast of the Department's work and develop an annual program based on a logical and sensible five year program. I do not think this program has really worked out on that basis but future programs will do so.

Mr. MacDonald (Prince): One question that is extremely relevant to the situation in Prince Edward Island is the way in which the fishing industry has changed so much over the past few years. I wonder what kind of planning for the future there has been either by your Department or by the Department of Fisheries or what kind of consultation do you

think there should be? I am envisioning the long term effects that harbour improvements or wharf improvements might have in one area as against another.

Mr. Whiting: In the future, now that the Department of Public Works has become a service agency, we will look upon the Department of Fisheries as the agency which will support the projects that deal with that Department's programs in the Maritime area. That is the intention.

Mr. MacDonald (Prince): So that it will be the Department of Fisheries basically that will—

Mr. Whiting: It will be a Department of Fisheries' program. We will extract certain projects from their program which will be included in the Department of Public Works' program.

Mr. MacDonald (Prince): Will they be the ones who will then be basically establishing the criteria?

Mr. Whiting: Yes, for the Department of Fisheries' program. The engineering standards for docks, and this kind of thing, would normally be Mr. Langford's responsibility.

Mr. MacDonald (Prince): But the actual criteria of the necessity for improvement will really be established within the Department of Fisheries?

Mr. Whiting: Or the project itself.

Mr. Lalonde: Or the volume and its relationship to the income derived from the fishing industry for that particular area.

Mr. MacDonald (Prince): I will now turn to the estimates as they relate to Prince Edward Island because there are a few items I would like to have clarified. The first one is the item that appears on page 444 of the estimates for 1966-67 of \$370,000 under the heading "Items not required for 1967-68". I am not quite clear on that one.

Mr. Lalonde: All through the blue book under 1966-67 you will find this notation "Items not required for 1967-68". These figures represent the amount of money which was spent on projects that were completed during that year and therefore they are not required either as a rebate or as a completion item, to part of the estimates for 1967-68. The figure \$370,000 covered items that were listed in the previous blue book and they are as

follows: Beach Point - Landing extension; Sea Cow Pond - Boat harbour - To complete; Tracadie - Harbour improvements and Wood Islands - Dredging.

Mr. MacDonald (Prince): Have the number of requests for harbour improvements, dock extensions and break waters either decreased in size of project or in number during the last two or three years?

Mr. Gerald Millar (Chief Engineer, Harbours and Rivers Engineering Branch, Department of Public Works): I believe the individual projects have increased in size but over the last two years the number of large projects have decreased. Prince Edward Island is a case in point.

Mr. MacDonald (Prince): That is interesting because in looking at the estimates of the Department I notice that for 1965-66 the amount is \$809,000, for 1966-67 it is \$590,000 and for 1967-68 it is \$460,000. There has been a fairly significant decrease in the amount of spending in this area, over the last few years.

Mr. Millar: The fluctuation or swing between high and low in P.E.I. as compared to other provinces is most noticeable because of the small number and size of the projects. For example, if there is a project amounting to \$500,000 in one year it results in quite a significant increase in percentage when it is compared to another year.

Mr. MacDonald (Prince): I can see that but I was wondering if there has been a decrease in the number and size of the individual projects that had been requested?

Mr. Millar: Generally speaking the number of requests are about the same if you count the smaller items.

Mr. Lalonde: Mr. MacDonald, three years ago and two years ago there was more money spent to complete one large project, the Borden terminal.

Mr. MacDonald (Prince): That could be; I only went back to the year 1966-67. I do not have the one for 1965-66 in detail with me. Do you have it there?

Mr. Millar: The Borden terminal would not be listed here. It would appear under the Department of Transport.

Mr. Lalonde: We will have to verify this, Mr. MacDonald, and give you the answer later.

Mr. Stewart: Perhaps I might ask a question, at this point which bears on the totals that are shown. What is the floor below which a project does not get listed in the estimates under Vote 30? What is the size of the financial commitment envisaged below which a project would not be listed?

Mr. Lalonde: Until now, Mr. Stewart, it has been \$50,000.

Mr. Stewart: Yes. In other words, there are many possible undertakings on Prince Edward Island that are not listed here?

Mr. Lalonde: Definitely.

Mr. Stewart: Where would they be listed?

Mr. Lalonde: They are not listed but they are included on page 448 under the heading:

Miscellaneous Works Not Otherwise Provided For Including Expenditures On Works On Other Than Federal Property
\$1,995,000

This includes the projects under \$50,000.

Mr. MacDonald (Prince): What kinds of projects would be included under that one?

Mr. Williams: It could be a small wharf, a breakwater extension or a bit of dredging, but it is of a size that we are not required to list.

Mr. Stewart: Is it possible for us to get this information in some detail?

Mr. Williams: The miscellaneous works program, because of its nature, is flexible. Under it we plan certain projects and it also takes care of matters which may be of an emergent nature. At the beginning of the year there is a tentative list made up but as matters develop it is subject to change. We do not have any fixed list for these projects although we have a tentative one when we provide for the money.

Mr. MacDonald (Prince): I am really just as interested, Mr. Williams, in the last couple of years. I know it is difficult to project into the coming year but I was thinking in terms of a report covering the last couple of years.

Mr. Lalonde: Would you like us to table this for the next session?

Mr. MacDonald (Prince): Yes, if you would, please. Thank you.

Mr. Lalonde: Let me make sure I understand. You want a list of the projects under

\$50,000 for the years 1965-66 and 1966-67 for Prince Edward Island?

Mr. MacDonald (Prince): Right.

Mr. Badanai: Mr. Chairman, I wonder if I may ask a question? Since there was a study made by the Department concerning the need for the redevelopment of the Kaministiquia River and the replacement of the swinging bridge in Fort William in order to enable modern and larger ships to negotiate the upper end of the Kaministiquia River, which serves several industries including the Great Lakes Paper Company Limited and the Dow Chemical of Canada Limited plant. This is a matter which has caused considerable concern at the Lakehead and in my constituency of Fort William and it is of vital interest to us. The Minister visited the area and inspected the bridge and the portion of the Kaministiquia River in question last January. Some action was promised and I wonder if the Department has anything to report on this particular matter?

Mr. Lalonde: Mr. Badanai, as you have just pointed out, the Minister visited the Lakehead this year with the Chief Engineer, Mr. Millar, and the Regional Director, Mr. Manchul and there was quite an exchange of information between those people who are interested in this development, the Minister and the departmental officials. Perhaps, Mr. Millar can provide more details on this matter than I can, but it was my understanding that as a result of this discussion and, in so far as the Department of Public Works' interest in this project is concerned, which is mostly dredging, that the local interests were to get together and submit a suggested plan for the long range solution of this whole problem. I will leave out the question of the bridge as this is not within our jurisdiction. To my knowledge there has been no communication received from them at this stage.

Mr. Badanai: The solution to the problem would be the removal of the obstruction, which is the bridge. The bridge has to be replaced in order to enable ships to navigate. This is partly the responsibility of the federal government because of the enactment of the Navigable Waters Protection Act.

Mr. Millar: The problem is that the study on the Kaministiquia River and the inlet to the three rivers reported that it was not justifiable to dredge the Kaministiquia River deeper up past the bridge to the turning basin for the industries that are presently located

there and if new industries were to locate that attempts should be made to have them go further down river where they could turn in the lower turning basin. The consultants agreed that it was justified to expand the harbour there but not in the reach that is requested because it has some very definite disadvantages. The river is very narrow, another turning basin cannot be made, it is complicated with a swinging span bridge and it is dangerous.

Mr. Badanai: I completely disagree with the consultants because, as far as industry is concerned, two of the largest industries in northwestern Ontario, the Great Lakes Paper Company Limited and the Dow Chemical of Canada Limited, will have invested upward of \$100 million. In addition to that we have elevators and other small industry along the river, so that kind of an argument does not hold water at all. The residents of the area are not very happy about this. I think an organized examination should be made, with a firm resolution to do something to remedy the situation. We do not want to abandon the river. It has been there since Fort William came into existence. We are also faced with the problem of accommodating larger ships. Of course it will take the smaller ships. It is said that the river is too narrow. We realize that. It has to be widened. It is not such a huge project that it would involve a large expenditure of money. In any event, I think any expenditure is fully justified in that location and unless something is done about it the people of Fort William will be in disagreement with the government.

• (10.07 a.m.)

(Translation)

Mr. Duquet: Mr. Chairman, I would like to ask a few questions about Quebec. The Department officials are doubtless aware that an agreement has been reached between the City of Quebec, the provincial government and the federal government regarding the canalization of the Saint Charles River and that the federal contribution to this work is to amount to about \$8,000,000. Firstly, I would like to know whether an item has been set aside in the estimate for this work?

Secondly, a year or two ago, a sum was voted for the construction of a dam on the Saint Charles River. I would like to know the amount voted for work on the dam. These are two questions to which I should very much like to have a reply, if possible. I see nothing

in the estimates concerning the Quebec region and the Saint Charles River. I wonder if these appropriations might have been voted previously.

Mr. Lalonde (Deputy Minister to the Department of Public Works): Mr. Chairman, the agreement with the City of Quebec and the province regarding the canalization of the Saint Charles River has not yet been signed. The proposed agreement is at the present time in the hands of the mayor of the city and the Honourable Mr. Dozois, the representative of the province. They are examining the terms of the agreement and we hope that it will very shortly be possible for the three parties involved to sign this document.

Obviously, when the estimates were prepared a year ago, it was then only a question of the dam, as no decision had yet been taken on the canalization of the river-bed. Therefore, at that time, we could not foresee the developments which have ensued, and we could not insert the sums required in the estimates. But in the supplementary estimates we shall be able to—

Mr. Duquet: At least begin the work once the agreement has been signed.

Mr. Lalonde: As soon as the agreement has been signed, we shall follow the ordinary procedure of calling for tenders.

Mr. Duquet: Is the agreement you mention regarding canalization of the river distinct from that concerning the construction of the dam?

Mr. Lalonde: No, Mr. Duquet. We included everything in one single agreement: the construction of the dam and the canalization of the river.

Mr. Duquet: But isn't there a plant connected with another station? What you mean to say is that the dam can be built without—

Mr. Lalonde: No, because one of the conditions for the construction of the dam is that the province agrees to canalize the river-bed. All these details are now included in one single agreement.

Mr. Duquet: Oh, good. But the plans for the dam, are they ready?

Mr. Lalonde: The plans are ready. As soon as the agreement is signed we shall be able to call for tenders.

Mr. Duquet: Without going into detail, Mr. Lalonde, could you tell us whether it is cor-

rect that the Department recently made a special offer or an offer of a particular kind to the City of Quebec, so as to hurry the work along and hasten the agreement?

Mr. Lalonde: Yes, we wrote about a week ago, I believe, Mr. Duquet, not only to the Mayor of Quebec, but also to the Honourable Mr. Dozois.

Mr. Duquet: About the North Shore Service?

Mr. Lalonde: Yes.

Mr. Duquet: Good, very well, thank you.

Mr. Leblanc (Laurier): I would like to ask a supplementary question on this subject, Mr. Chairman. In our agreement with the province or the municipalities, are we going to give them a free hand in matters concerning calls for tender, and so on?

Mr. Lalonde: No, Mr. Chairman. That is exactly what Mr. Duquet was referring to. The calls for federal government tenders are going to be made by the federal government. These are the terms of the agreement which we have sent to the province and the municipality.

Mr. Duquet: The work will be under federal jurisdiction alone, as regards the federal government's share?

Mr. Lalonde: Yes, Mr. Duquet.

Mr. Duquet: Now, Mr. Lalonde, about the dock which is to be constructed to the east of Anglo Pulp, if you know what I mean, to the east of Samson Bridge. I believe it is a contract worth about \$2,000,000 for a dock 2,700 feet long, I believe. Will it be constructed by the National Harbours Board or the Department of Public Works?

Mr. Lalonde: Not by the Department of Public Works.

Mr. Millar: It will be either by the National Harbours Board or by private enterprise.

Mr. Duquet: It is not private enterprise but the government which is to construct the dock. It is strictly a federal contract and I think that it is the responsibility of the National Harbours Board. Thank you.

Mr. Mongrain: Mr. Chairman, I have two or three questions to raise. Am I to understand, Mr. Deputy Minister, that all harbours are not necessarily the responsibility of the National Harbours Board, but come under the Department of Public Works?

Mr. Lalonde: Do you mean the construction or the administration?

Mr. Mongrain: I see here that you include repairs, improvements, all sorts of things; do you occasionally deal with harbours which come under the jurisdiction of the National Harbours Board?

Mr. Lalonde: By agreement.

Mr. Millar: Mr. Chairman, may I answer. In the case of national harbours, the Department of Public Works is responsible for dredging the main channels, for the inner harbour, and also for the planning of new ports and break-waters. But the ports are administered by the National Harbours Board, and all the public harbours are administered by the Department of Transport to which the National Harbours Board belongs, that is the harbours administered by commissioners and those administered under the conditions of the Harbours and Piers Act.

Mr. Mongrain: Mr. Chairman, I shall ask Mr. Millar a more specific question.

I have learned from the newspapers (for the committee members are better informed by the newspapers than by the departments) that at the entrance to *lac Saint-Pierre*, not very far from *Pointe-du-Lac*, or perhaps opposite *Baie-Jolie*, that protective works, breakwaters, I believe, or something in cement anyway is to be constructed. Does that come under your Department?

Mr. Millar: Is it correct, first of all?

Mr. Mongrain: Our local papers announced it.

Mr. Millar: Mr. Chairman, a survey is in progress in the Department of Transport; and usually in matters concerning maritime work such as docks, etc., the construction has to be carried out by the Department of Public Works. In most cases, we handle construction for the Department of Transport. There are some exceptions, such as the *Saint-Ours Dam*, which this Department is erecting itself. But in other cases such as the docks for the Newfoundland-Sydney, Sydney-Argentia (Newfoundland) ferries the money is provided by the Department of Transport votes and the work is surveyed and constructed by the Department of Public Works.

Mr. Mongrain: In the case I mention, Mr. Chairman, it was also reported in the newspapers that the contracts are already issued and that the work will be carried out this sum-

mer. Are you aware of that? It seems that this would be between *Pointe-du-Lac* and *Baie-Jolie*. These are cement works to break the force of the ice since a few years ago, terrible damage occurred when the "break-up" of the ice on Lake St. Pierre submerged all the cottages on that side.

Mr. Millar: All I can add is that I believe the work will be done to impede the movement of the ice in winter. As you know the channel is opened in winter by ice-breakers.

When boats pass by, they cause a swell which breaks up the ice into large floes which the wind and current draw back into the channel. And the ice-breakers are obliged to work unrelentingly to keep the channel clear. The idea is to try to keep the ice in place on lake St. Pierre, outside the channel. This happens every spring at the time of the ice break-up.

Mr. Mongrain: So that, normally, this would come under your department?

Mr. Millar: It comes under the Department of Transport. Unfortunately, I do not know what the criteria of these people are, whether they will have this done on their own, or through the Department of Transport.

Mr. Mongrain: Now, Mr. Chairman, I see that there is in the estimates an amount for a retaining wall at Champlain. The same could happen elsewhere. When you do protection work in stone, such as this, I understood the other day that the riparian owners were consulted and accepted the work. Now, there is a case in Champlain which has been dragging for quite some time; and the member for Champlain is aware of it. A land surveyor, on whose property stone work was done, states that his permission was never requested. He says that the work was not well done and he has been insisting for months that the stone be taken away, saying: "I do not need it, take it away from there, there are no damages at our place and nobody was authorized to place it there." Is such a case possible?

Mr. Millar: Mr. Chairman, it is possible. We usually get permission from the owners, we show them that the land—

Mr. Mongrain: Could you make a note of it and look into the matter? The man is Mr. Ernest Duplessis, land surveyor—I know that from the Liberal viewpoint his name is not predestined, but—

Mr. Duquet: But it is to the hon. Member for Trois-Rivières, I believe.

Mr. Mongrain: Now, is it the right moment to mention, for example, certain works which seem urgent—I am still speaking of the Trois-Rivières and the surrounding district. For example, let us take Cap-de-la-Madeleine; I see here an amount of \$60,000 for a retaining wall. At one of the outlets of the St. Maurice river—you are undoubtedly aware of this—there was once a dry-dock, during the 1914-1918 war, and certain St. Lawrence dredges take refuge there during the winter. There is also navigation by pleasure boats, yachts, etc.

These people complain that the river fills up and that at low tide the yachts and boats have difficulty getting through. They have asked that some dredging be done, I do not know by whom; however, I believe that this matter is urgent. I am speaking of one of the branches of the St. Maurice (there are three branches and that is why the city is called Trois-Rivières), that on the Cap-de-la-Madeleine side.

Mr. Millar: Mr. Chairman, I believe that the whole area comes under the National Harbours Board. The request would have to go through the National Harbours Board.

Mr. Mongrain: I do not wish to correct you, Mr. Millar, but on the Trois-Rivières side, your department did some work in the past. This was done within the framework of the federal government's participation in the construction of port facilities for pleasure craft. Because of this, it may have been different.

Mr. Millar: There are exceptions. For instance, the Department of Public Works has jurisdiction over the port facilities for pleasure craft.

Mr. Mongrain: Across the river from Pointe-du-Lac, about thirty properties were severely damaged by ice last Winter and the owners asked me to visit the site. There has, in fact, been real damages and they would like to secure stone in order to prevent such damages to their property, with the consequent danger of their summer homes being carried off into lake St. Pierre. Do you remember receiving such a request?

Mr. Millar: We have probably received such a request but unfortunately this is due to natural causes. The government's policy

with respect to protection works applies only in cases where erosion is due to certain factors.

The federal government contributes to protection works in conformity with the following principles:

- (a) The total cost or 100 per cent of the protection work may be authorized when it is considered that erosion is due, in a proportion of more than 50 per cent to navigation or to the presence of a federal government construction and that the value of the land to be protected exceeds by more than 100 per cent of the cost of the said protection work.
- (b) When the erosion is caused largely by natural causes, but that navigation or the presence of a federal government work is a contributing factor, the department may contribute to the cost of the work in proportion to the effects which these factors may have had on erosion; however, such contribution may in no case exceed 50 per cent of the cost of the work which, according to the department, would afford sufficient protection.

Mr. Mongrain: I thank you, Mr. Chairman. That is all I have to say for the present.

(English)

The Chairman: Shall Item No. 30 carry?

Mr. Gilbert: Mr. Chairman, I notice no item for the Toronto harbour. Has the Department any jurisdiction over the harbour in Toronto or is it completely under the jurisdiction of the Toronto Harbour Commission?

Mr. Millar: Mr. Chairman, the Toronto Harbour Commission was set up by an Act of the Federal Parliament and is under the Minister of Transport. The administration of the harbour is passed down from Transport to the Commissioners and the federal government, in certain cases, contributes to the cost of works, sometimes on a *pro rata* basis depending on the financial status of the Commission itself. So far, in Toronto, we have contributed, in many cases, 50 per cent of the cost from federal funds in the Public Works Estimates; sometimes it is only on a 25 per cent basis. This depends on each commission and its financial status, as determined by a group of engineers and economists from the departments of Transport and Public Works.

Mr. Gilbert: So there is no item for 1967, Mr. Chairman. Are there any plans that the Department is aware of with regard to harbour development in Toronto? As you probably know we are having tremendous development towards the harbour in the south end of the city.

Mr. Lalonde: Mr. Chairman, the Department of Transport, the Toronto Harbour Commission and the Department of Public Works have had some talks about long range planning, and we are in the process of studying the possibility of appointing some consultants to look, not only at the Toronto harbour, but at the adjacent harbours which I think are involved in this over-all development.

Mr. Gilbert: Thank you, Mr. Chairman.

Mr. Millar: Mr. Chairman, may I table 20 copies of the Remedial Works Policy in English and 10 copies in French?

(Translation)

Mr. Duquet: Mr. Chairman, before Vote 30 is adopted, may I be permitted to revert briefly to the matter of the St. Charles River. I know, Mr. Lalonde, that the verbal agreement, the agreement in principle, was reached on 18 November last, that is about eight months ago. I know that, at the time, a three-level—federal, provincial and municipal—working committee was formed. It was a committee of engineers who had made a comprehensive study of the matter. I also know that the report of the committee was presented several months ago. May I be informed as to why the provincial and municipal governments have delayed the final signing of the said agreement?

Mr. Lalonde: Mr. Chairman, in replying to the question I must admit that I do not have the file before me. Consequently I may forget the dates. However, Mr. Duquet, I must state that the information which was supplied to you, according to which a report of the technical committee was presented several months ago is, in my opinion, inaccurate. The report of the technical committee, which is made up of representatives of the three parties involved, was presented about a month and a half ago, and, following presentation of that report, our solicitors began to work immediately on the text of an agreement. I know that discussions were held between the City of Quebec and the province with regard to another draft agreement which was submitted to the federal government. We considered both projects and borrowed a little from each. We finally came up with a draft agree-

ment which would cover all the points mentioned by the three parties involved. I can assure you that there was no delay. Of course, discussions were held because, at the very beginning, there was a lack of agreement on certain points, but now, in my opinion, the situation has cleared up and the agreement should be signed soon.

Mr. Duquet: I will not insist on this, Mr. Lalonde. If it is not possible, just say so. I am asking you if it would be possible for us to receive a copy of the final offer of the federal government to the parties concerned, to wit the municipal and provincial governments?

Mr. Lalonde: Are you referring to the copy—

Mr. Duquet: Of the agreement.

Mr. Lalonde: I am making a note of it, Mr. Duquet.

Mr. Duquet: Thank you.

(English)

Mr. Loney: Mr. Chairman, I would like to raise a question of expenditures for Ontario, Bruce County in particular and the dock construction in Tobermory. This was in the 1962-63 estimates but was cancelled. I would like to inquire now why the expenditure was cancelled at that time, and what consideration is being given now to the possibility of constructing a wharf between the two existing wharves?

Mr. Lalonde: Would you deal with this please, Mr. Hurst?

Mr. C. K. Hurst (Assistant to Chief Engineer, Harbours and Rivers Engineering Branch): I think we would have to go back into the records to determine what happened in 1962-63. So many projects that come up cannot be completed for some reason or other. It may be that the tenders we had at the time were too expensive and we had to drop it, or else we had to give higher priority to something else, or the circumstances may have changed.

At Tobermory the complexion has changed. It has become, I believe, much more of a tourist centre than it was formerly when, I think, certain commercial aspects were involved which are no longer there. So, I think we would have to go back in the records to find out what the situation was in 1962-63 that made it necessary to drop that particular item.

As to the present situation at Tobermory, I am afraid that here again we will have to go back to our last reports to find out what the situation is. I cannot tell you this right off the top of my head.

Mr. Loney: With the decline in the fishing industry in that immediate area would you not now give consideration to the fact that the tourist business is even more essential?

Mr. Hurst: This is quite true. There is a possibility of developing tourist facilities there under our Marina Policy which, as you know, has just recently been developed so that the use of small boats could be encouraged and tourism taken care of in a much better way than it has been in the past.

Of course, the federal government interest in tourism is of national scope, and there has to be a considerable contribution on the part of the local people before the federal government can step in under the tourist policy; in other words, the tourist policy envisages a contribution to the development on the part of the local and provincial people at least equal to the Federal contribution.

Federal interest is confined to the construction of breakwater protection wharves or carrying out dredging from the main channel to the area where the tourist facilities could be developed. The initiative for such a thing, of course, comes from the local people. They must present a proposal to the Department which indicates what they are prepared to do, and what they would like the federal government to do. This proposal is then reviewed by our experts in small boat facilities and given consideration, and if it comes within the terms of the policy, then we can go ahead and carry out the proposal. But local initiative has to begin the whole project.

Mr. Loney: Thank you. You will provide that other information for me?

Mr. Hurst: Yes; for 1963.

Mr. Lalonde: Do I understand that we will table this in the committee or that you will provide it to Mr. Loney?

Mr. Hurst: We can provide it direct or table it, whichever you wish.

Mr. Loney: I would like to have it tabled.

The Chairman: Have you completed your questions Mr. Loney?

Mr. Loney: Yes, I have.

Mr. Mongrain: I have another question, Mr. Chairman. On page 448, Mr. Chairman, I see: "Dry Dock Subsidies—Canadian Vickers Limited, Montreal." Is there any government policy about that or is it a special case, and if it is a special case could somebody explain the history of the case to the Committee?

Mr. Millar: Mr. Chairman, there is an Act of the Federal Government which is called the Dry Docks Subsidies Act, under which the Department of Public Works can subsidize new construction of dry docks. At the present time there is only one dock that is being subsidized, which is the General Vanier floating dock at Vickers in Montreal, to which we are contributing, I believe, the sum of \$180,000 a year for 35 years.

Mr. Mongrain: Has the government, or your Department, contributed to the building of the dock?

Mr. Millar: No; the building of the dock was done by the company itself; all that the Act provides is a subsidy.

Mr. Mongrain: Is it because this one is a floating dock?

Mr. Millar: No, it applies to dry docks and floating docks.

Mr. Lalonde: It has something to do with the size, also. You see, the Department of Public Works owns some docks at Quebec and Esquimalt. They can take ships of a certain size, but under the Dry Docks Subsidies Act we have to have a dry dock which could take ships of a larger size in Canada, in case of an emergency; and that is the purpose of the Subsidy Act so that the Government would not have to provide the capital fund to build that kind of a dock, but would subsidize it to keep the priority on it in this fashion.

Mr. Millar: May I add, Mr. Chairman, in this case it is a larger dock that can take the large lakers that now ply the seaway in Montreal. It is quite important that a dock of that size be there immediately at the foot of the locks, so that if an accident occurs they do not have to go to Quebec.

Mr. Loiselle: Was that dry dock ever used by the Government for an urgent purpose?

Mr. Millar: It is in operation now.

Mr. Leblanc (Laurier): It is in operation. It costs us a total of \$6,300,000 if we have to pay \$180,000 every year for 35 years.

Mr. Hurst: The dry dock itself, as constructed by Vickers, cost in excess of \$6 million which they financed. They received a subsidy from the shipbuilding division of the Department of Industry, or, rallies, from the Canadian Maritime Commission at that time. The responsibility has now been given to the Department of Industry. That brought their actual capital outlay to over \$4 million. The Dry Docks Subsidies Act allows the Federal Government to contribute a subsidy of 4½ per cent for this size of dry dock on a maximum of \$4 million. In other words, we were not allowed to exceed the \$4 million although they had expended more than \$4 million. Our subsidy was restricted to a maximum of \$180,000 a year.

Now, there are three categories of dry docks. This dry dock has the category of first class, which is the largest one; the other ones have different rates. I think the minimum is about 3½ per cent on a million dollar investment. But the government investment is \$180,000 on a subsidy, plus a shipbuilding subsidy given by the Canadian Maritime Commission to compensate for the extra cost of building a ship in Canada over what we would have paid if we had had it build, say, in Holland, or in another European country.

Mr. Loiselle: Does that mean that the contribution of the federal government will not be in excess of \$4 million for that dry dock?

Mr. Hurst: No; actually the maximum subsidy is \$180,000 a year for 35 years.

Mr. Loiselle: And that is \$6 million.

Mr. Hurst: Yes; I suppose that is right.

Mr. Leblanc (Laurier): Six million three hundred thousand dollars.

Mr. Loiselle: That would be the share of the Federal Government for that dry dock?

Mr. Hurst: Yes; over a period of 35 years.

(Translation)

Mr. Mongrain: Mr. Chairman, may I ask another question again with regard to dry docks?

Montreal, Sorel, Quebec and Lauzon have their shipyards. I was saying, a few minutes ago, that Trois-Rivières had had a shipyard of its own during the First World War. The feeling is held, in Trois-Rivières, that the situation has now reached the point where it might be useful to have a dry dock, at least for minor repairs in the wintertime to small

boats such as dredges and the like. A good number of our technicians could thus find work, as some of our people go out to seek employment in Sorel and Lauzon. As everybody knows, the good men are from Trois-Rivières. Thus, Mr. Chairman, it would be consistent with departmental policy to have a local firm decide, for example, to build a yard which could take care of such minor repairs. Would it be consistent with government policy to meet a request for dredging in the mouth of the river so that the ships could get at the dock? As I have already mentioned, in the last few years the river has become filled with debris and is not deep enough for the ships to reach the place where such repairs would be made. If a request were made in this connection, how would it fit into the general policy of the government in this respect?

Mr. Lalonde: That would depend on the proposal. It would also depend on the length of the approach to the dry dock that would have to be dredged. That would give us an idea.

Mr. Mongrain: The maximum length would be two thousand feet, Mr. Deputy Minister.

Mr. Lalonde: In such circumstances, if someone were to set up a dry dock business in Trois-Rivières, our participation would be confined to dredging what can be called the approach channel, and not the channel where the ships—

Mr. Mongrain: At that particular spot, it would not be necessary. It would mainly be a matter of getting there.

Mr. Lalonde: Another requirement is involved. If it is a public harbour, the government pays 100 per cent of the dredging of the approach channel. However, if it is a channel for the exclusive use of a private firm, the government will pay only 50 per cent.

Mr. Mongrain: I would like to try to understand the policy of the government by quoting a special case. Such a plant has nearly always been used every winter for repairs to the smaller ships that could not easily go to Quebec, Montreal or Sorel. You realize that, if some dredging was done, this could bring about some expansion in this trade, without jeopardizing the facilities already existing at Sorel and Lauzon. The demand on this point has been pressing for several years.

Mr. Lalonde: If some company was interested in an undertaking of this nature.

Mr. Mongrain: Such a company exists, Mr. Chairman, and, by some mysterious fate, its requests have been blocked for many years, at least for about ten years. I would really like to go deeper into this matter and make a report on it in order to know exactly how things stand.

Mr. Lalonde: I would be very happy to receive your report, Mr. Mongrain. Personally, I never heard about it.

Mr. Mongrain: There is something wrong somewhere because I remember that a group of mayors from the area came to Ottawa a few years ago to explain the situation to the Government. Nothing ever came out of these endeavours.

(English)

The Chairman: Shall item 30 carry? Item 30 agreed to.

I will now call item 5:

Department of Public Works
Accommodation Services

5. Maintenance and Operation of public buildings and grounds, including the provision, on a recoverable basis, of accommodation and related services for Canada Pension Plan purposes, and authority to provide assistance to (a) the International Civil Aviation Organization in the form of office accommodation at less than commercial rates and (b) the Ottawa Civil Service Recreation Association in the form of maintenance services in respect of the W. Clifford Clark Memorial Centre in Ottawa... \$76,615,000

The Chairman: Are there any questions?

Mr. Lalonde: Mr. Chairman, before we answer questions I would like to introduce a new witness, Mr. H. dePuyjalon, who is in charge of Accommodation Planning.

(Translation)

Mr. Mongrain: Mr. Chairman, is all renting of offices for the Government done through the Department of Public Works? Do some departments deal directly without going through your services?

Mr. Lalonde: I am wondering whether the Department of Transport does its own renting in the areas around airports.

Mr. De Puyjalon: Mr. Chairman, the Department of Transport does some renting from its own establishments but, as a general

rule, the Department of Public Works acts for all the other departments as regards renting on the regular market.

Mr. Mongrain: So, the Department of Transport builds its own buildings over land under its jurisdiction?

I believe you also build all post office buildings. You now use standard plans. How many standard plans do you have at the present time?

Mr. De Puyjalon: Mr. Chairman, we have seven such plans.

Mr. Mongrain: Are these standard plans used across the country, except possibly in cases of minor alterations?

(English)

Mr. Lalonde: Perhaps Mr. Langford had better answer that.

Mr. Stewart: Mr. Chairman, may I first ask a question on a point of order? Would that not come more appropriately under item 15?

Mr. Mongrain: That may be; I really do not know. If I am out of order, Mr. Chairman, will you let me know? I apologize.

Mr. J. A. Langford (Assistant Deputy Minister, Design, Department of Public Works): The standard plans are applied all across Canada, with modifications for safe conditions. This means, basically, that foundations and sewer and water connections and so on are—

Mr. Mongrain: Not necessarily floor plans.

Mr. Langford: The basic standard building is of one size. One standard, for example, is an 800 square foot post office. This standard is applicable according to the rate of income that the post office derives from the location; and the configuration of the building is basically on the same floor plan.

Mr. Lalonde: Mr. Chairman, perhaps I should have told the Committee at the beginning about the distinction between item 5 and item 15. Item 5 covers rentals, the cost of operation and salaries for operating personnel, whereas everything that is new construction or repairs and alterations is in item 15. The one is really the operation of the accommodation, and the other is the construction.

Mr. Mongrain: What kind of leases do you usually sign? Are there standards too, on the

number of years and the cost per square foot and things like that?

Mr. De Puyjalon: Mr. Chairman, we sign leases varying anywhere from month to month up to, in the very unusual case, 15 years. We have a standard form of lease which applies in almost every case except where we are dealing in large, multi-purpose buildings where the owners insist on using their form for the sake of uniformity.

(Translation)

Mr. Mongrain: Recently, Mr. De Puyjalon, you rented a certain amount of floor space in a building called the Royal Building, in Trois-Rivières, on Royale street. Did you handle this transaction?

Mr. De Puyjalon: No, Mr. Chairman. Generally speaking, negotiations are handled by the regional office.

Mr. Mongrain: Do you remember by what department this floor space will be used? I believe the Unemployment Insurance Commission will occupy part of it.

Mr. De Puyjalon: That is possible. I can enquire about it.

Mr. Mongrain: I'll send you a note.

Mr. Lalonde: Do you wish us to give you this information at a coming sitting of the committee?

Mr. Mongrain: I'll send you a note.

Mr. Loiselle: Mr. Chairman, I've only got one question to ask. It has to do with Vote 5, page 429, Accommodation Services, where I note an amount of \$2,800,000, and, in the section, Other than Ottawa and Hull, for Municipal or Public Utility Services, an amount of \$5,322,000. What municipal services can these be to reach such amounts? I am referring to pages 429 and 430. This has to do with Ottawa and Hull, Municipal or Public Utility Services, at the bottom of the page, \$2,800,000, and, on page 430, in cases other than Ottawa and Hull.

Mr. Lalonde: Mr. Loiselle, the \$2,800,000 cover the cost of services which we are providing in the new buildings in the Ottawa-Hull area. As regards the other \$5,000,000 they cover the cost of such services for the rest of Canada.

Mr. Loiselle: Do these amounts include the taxes paid in municipalities such as Montreal,

etc. Are federal buildings subject to special taxes?

Mr. Lalonde: No, taxes are not paid directly by the Department of Public Works. Instead of paying taxes directly, the federal Government grants subsidies. The amount is calculated and paid by the Department of Finance.

Mr. Loiselle: Then, these have to do only with municipal services where there are federal buildings.

Mr. De Puyjalon: These also include such services as electrical power, water, etc. All such services are included in this report.

Mr. Loiselle: Is there no way of revising this?

Mr. De Puyjalon: In English, this reads as follows: "Municipal or Public Utility Services".

Mr. Loiselle: The English version seems to be better than the French translation. Can you explain this?

[English]

The Chairman: Are there any questions? Mr. Duquet?

Mr. Duquet: No.

(Translation)

Mr. Mongrain: Mr. Chairman, I asked a question a moment ago and my impression is that Mr. De Puyjalon did not answer or, if he did, I did not get exactly what he said. Are there any standards for rental by the square foot of floor which you rent?

Mr. De Puyjalon: Mr. Chairman, there are two kinds of standards. They vary according to each market, because each market has its own particular standards. They vary from one market to the other because they depend on the real estate value of the buildings. Secondly, these standards are always compared with our construction costs.

Mr. Mongrain: Thank you, this answers my question.

[English]

The Chairman. Shall item 5 carry?

Item 5 agreed to.

The Chairman: I will now call item 10:

Department of Public Works

10. Acquisition of equipment and furnishings other than office furnishings \$1,485,000.

(Translation)

The Chairman: This is to be found at the bottom of page 431.

Mr. Leblanc (Laurier): Mr. Chairman, I would like to ask a question. Is the purchasing of equipment and furnishings always done on the basis of tenders, whatever the amounts involved, or is the equipment purchased directly when small amounts are involved?

Mr. Lalonde: We proceed either by public tenders or by invited tenders. When the amount is in excess of \$15,000, we always proceed by public tenders. When the amount is below \$15,000, especially in urgent cases, we invite two, three, four or five persons to tender.

Mr. Mongrain: Mr. Chairman, I have a supplementary question. Are public calls for tenders addressed to suppliers throughout the country or only to those in a definite area?

Mr. Lalonde: As a general rule, our is to call for tenders throughout the country, but there are cases where we will call tenders for a value of \$20,000. In such cases, it is certain that an entrepreneur in Ontario will not be interested in a \$20,000 contract to be fulfilled in the Maritime Provinces.

In such cases, the call for tenders will be sent only to one area, one district or even one district in a county. It depends on the amount involved and on the importance of the work to be done.

In the case of the equipment we are dealing with here, I wish to point out that, since the change in government policy, we no longer proceed by way of a call for tenders. We purchase these items from the Departments of Industry and Defence Production.

Mr. Mongrain: I would like a little more clarification on the question of equipment, etc. Could you mention five or six items covered by this vote, besides office furnishings?

(English)

Mr. Williams: There are items such as cleaning equipment, vacuum cleaners, polishers, roller blinds, safes and water coolers.

Mr. Mongrain: That is sufficient so far as I am concerned.

Mr. Leblanc (Laurier): Which do you put your money in!

Mr. Williams: In the post offices.

Mr. Lalonde: This is the office furniture.

Mr. Leblanc (Laurier): Office furniture in your own description, but in other places this would not be there as office furniture?

Mr. Williams: It could be.

Mr. Leblanc (Laurier): Because there you have money to put in. All you do is spend our money. You do not put anything in the safe!

(Translation)

Mr. Leblanc (Laurier): Does that include office equipment?

Mr. Lalonde: The office equipment you are speaking of is included in each vote. If you examine each item, you will see that there is one, for instance, on page 426, under Vote 1, which involves office equipment. Therefore, in order to determine the amount of money allotted for this type of equipment, you only have to add the items under each vote which bear on this type of equipment.

(English)

The Chairman: Shall item 10 carry?

Item 10 agreed to.

The Chairman: I will now call item 15, details of which are on page 432.

15 Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings (including expenditures on works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the Details of Estimates \$48,165,000.

Are there any questions?

(Translation)

Mr. Mongrain: Mr. Deputy Minister, when you build such buildings, I imagine you have to purchase the land. Do you have occasion to deal with real estate agents and to pay their commission?

Mr. De Puyjalon: Mr. Chairman, generally speaking, we deal directly with the owner. If the owner retains the services of a real estate agent, he will pay the agent's commission himself. Such is the nature of the agreement existing between the owner and our department.

Mr. Mongrain: So, your department does not employ the services of a real estate agent, as a general rule?

Mr. De Puyjalon: Except in very special cases.

Mr. Leblanc (Laurier): Is the commission paid by the seller?

Mr. De Puyjalon: In all cases.

Mr. Leblanc (Laurier): This is the same case.

(English)

The Chairman: Shall Vote 15 carry?

Vote 15 agreed to.

The Chairman: I will now call Vote 20, Operation and Maintenance, details of which are on page 438.

Department of Public Works

20 Operation and Maintenance \$7,924,-
000.

The Chairman: Mr. Lalonde.

Mr. Lalonde: Mr. Chairman, I would like to point out that this is the operation and maintenance of marine works. It is contained in Vote 30 which the Committee discussed previously. It is not connected with buildings, it is connected with the operation and maintenance of wharves and such matters as that.

The Chairman: Shall Vote 20 carry?

(Translation)

Mr. Mongrain: Mr. Chairman, I am sorry to delay you, but I have this matter on my mind, as Bossuet would have said; I mean dredging of part of the Saint-Maurice river. Could I at least, Mr. Chairman, ask the Deputy Minister whether he could not look briefly into the matter before I send him a note, so that he may then know the views of the department concerning the probable cost of such dredging?

Mr. Lalonde: Do you know the name of the company involved in this matter?

Mr. Mongrain: As far as I know there are more than one.

Mr. Lalonde: I would need certain information to try and retrace the correspondence which was exchanged.

Mr. Mongrain: I shall give you the details.
Adopted.

Mr. Lalonde: Mr. Mongrain, I must say that if it is a federal construction, it comes under item 30 and not under item 20, because it is—

Mr. Mongrain: Well then, it is not the same thing—

Mr. Leblanc (Laurier): Why is it that complicated?

Mr. Mongrain: Would it be so that people will not understand too well?

Mr. Lalonde: I must say that at the present time the director of our Financial Services is preparing certain recommendations which, if approved by Treasury Board, will simplify our accounting somewhat. This is on top of the departmental reorganization.

Mr. Loiselle: Are you the first department that has thought of revising its estimates?

Mr. Lalonde: No. The matter of knowing in what form the estimates should be presented to Parliament was dealt with a Glassco report and at that time four departments were chosen for a trial, a sort of pilot plan, only with regard to finances.

This year, these four departments are even submitting their estimates according to this new formula. The other departments will do likewise later on if the procedure is accepted by the Public Accounts Committee and by Parliament.

Mr. Loiselle: Do you mean to say that the new formula is now being used?

Mr. Lalonde: No.

Mr. Loiselle: Then you have not decided to change the formula?

Mr. Lalonde: The four departments in question are the following:

The Department of Transport—

Mr. Loiselle: I mean the other departments. In the next estimates, will the new formula be used?

Mr. Lalonde: I hope that our next estimates may be prepared in accordance with the new formula.

(English)

Mr. Stewart: Mr. Chairman, I have one question concerning the maintenance and operation of plant for dredging. The item is shown on page 439. In the subheading "(Further Details)" I note that the expendi-

tures in Prince Edward Island are considerably higher than those in Nova Scotia. I assume there is some special reason for this. Is this because the Department maintains its own plants in that province, whereas in Nova Scotia much of this dredging is done by contractors?

Mr. Williams: That is a correct assessment of it, Mr. Stewart.

Mr. Stewart: Is there some historical or geographical reason why two different techniques are used, one in Prince Edward Island and the other in Nova Scotia?

Mr. Williams: It pertains to the class of work that is required to be done. Normally the departmental dredges are used on jobs which are of short duration or consist of a class of dredging which we would either find difficult or expensive to do by contract and therefore we use the departmental dredge plant. It keeps the bidding on an even keel because we also have competition from the private sector and it also gives us flexibility in situations where it would be difficult to contract.

Mr. Stewart: Is this because the soil or material conditions are different?

Mr. Williams: It is not only that, but in some cases there is a lot of transportation and moving about involved to take relatively small cuts. It is not necessarily the type of ground conditions.

Mr. Stewart: Yes, I understand.

Mr. Williams: Or you can have a situation where there is periodically a lot of in-fill.

The Chairman: Shall Vote 20 carry?

Vote 20 agreed to.

The Chairman: I will now call Vote 25, the details of which are on page 441.

25. Construction or Acquisition of Equipment, \$925,000.

Mr. Lalonde: This has to do with the operation and maintenance of departmental dredges with the graving docks, locks and dams which the Department operates.

The Chairman: Shall Vote 25 carry?

Vote 25 agreed to.

The Chairman: We will now move to Vote 35, details of which are on page 448.

35. Operation and Maintenance including authority to make recoverable ad-

vances in amounts not exceeding in the aggregate the amount of the operating expenses of the New Westminster Bridge, \$6,901,000.

Mr. Stewart: Mr. Chairman, perhaps Mr. Lalonde could comment on how the Government of Canada becomes involved in these particular bridges. I notice a category listed as "Bridges Generally" on page 449. What kinds of bridges are included in that category? How do we distinguish between bridges in which the Federal Government becomes financially involved and those which fall under the jurisdiction of the provinces or other governmental agencies?

Mr. Lalonde: You have to go back a long way in history to answer that question. I think the expert in this field is Mr. Williams. I will ask him to reply because his memory goes back much further than mine.

Mr. Williams: "Bridges Generally" deals with those bridges which we own and maintain and the other section deals with bridges which are operating in terms of lift bridges, swing spans and that sort of thing. In the "Bridges Generally" section there are three general categories. There are international, interprovincial and then some odds and sods which, although they defy description, are inherited. The international bridges are normally of historical significance. There are some of them between New Brunswick and Maine and I believe those are all of the international bridges that are still under direct maintenance by the Department of Public Works. There are a number of interprovincial bridges between Ontario and Quebec and between Quebec and New Brunswick. That is about the limit of those.

These bridges are of an historical character. The Federal Government is not necessarily responsible for all inter-provincial bridges but historically it has been involved because of a need at some point in time. This was possibly related to defence or because of some other factor they became involved and under an agreement which was entered into that bridge was left under the jurisdiction of the Federal Government. Under all arrangements which we now enter into where there is a special significance and an interprovincial bridge involved we endeavour to have the ownership, operation and maintenance of it vested with the provinces if this is practicable and possible.

Referring to the special kinds of bridges which we have and which are difficult to

accurately define, we have such bridges on the Ottawa River in the National Capital area, we have some of them that are adjacent to the Ottawa River but they were either built totally in Quebec or totally in Ontario because when they were originally built the Ottawa River was under the jurisdiction and still is, for that matter—of the Department of Public Works and the principal requirement of such bridges was for the transportation of logs, timber and navigation. In some cases channels were built for purposes of navigation solely within one province or the other and in the over-all operation of the river the Federal Government took the responsibility for such bridges over it.

We presently have a program under way by which we are trying to transfer the jurisdictions of these bridges. If they are still required they are brought up to standard and we then enter into negotiations with the province and endeavour to transfer them to the province. In some cases it is a case of buying ourselves out of what formerly was our responsibility.

There are some odd situations which occur. For example, there was a small local bridge in the province of Manitoba which, after investigation, it finally turned out that it had come to the Federal Government at a time when Manitoba was the postage stamp province and the bridge was built just before the boundaries were extended so at that time it had been in the Northwest Territories. These bridges are of an historical significance.

Another one is the Burlington Canal Bridge. This was a navigation channel maintained by the Federal Government prior to Confederation and when the first bridge was built it continued to be a navigation channel maintained and operated by the Federal Government and they accepted the responsibility for the bridge. There are some of that category.

The New Westminster Bridge is one which was inherited at the time the Pattullo Bridge was built in B.C. It is a railroad bridge and it is operated as a toll structure. We collect tolls on a par tonnage basis from the railways that operate it and it is a means of maintaining an existing railway facility which is required by more than one company and which the Provincial Government, with a new highway bridge, was not in a position to maintain.

The Chairman: Thank you, Mr. Williams.

Shall Vote 35 carry?

Vote 35 agreed to.

The Chairman: I will now call Vote 40, and the details are on page 450.

40 Construction, acquisition, major repairs and improvements of, and plans and sites for the roads, bridges and other engineering works listed in the Details of Estimates, provided that the amounts within the Vote to be expended on individually listed projects may be increased or decreased subject to the approval of Treasury Board, \$19,965,000.

The Chairman: Are there any questions? Do you have a question, Mr. MacDonald?

Mr. MacDonald (Prince): If there are other members who wish to ask questions perhaps I could wait until they have had a chance to do so.

The Chairman: Do not wait too long.

Are there any questions?

Mr. MacDonald (Prince): I will ask a couple of supplementary questions. I mentioned at the end of last Tuesday's session that I hoped there would be some provision made for the other two members from Prince Edward Island to be present. It was my understanding at the conclusion of that session that this question would not necessarily come up today. They asked me yesterday if it was going to be on the agenda and if I had known it was coming up, I could have alerted them.

The Chairman: I am in the hands of the Committee. Do the members wish that we stand that Vote?

Mr. MacDonald (Prince): Is this the final day for discussion on the estimates of the Department or will there be a later opportunity to say something?

The Chairman: Do you have any specific questions that you wish to ask now, Mr. MacDonald?

Mr. MacDonald (Prince): I only have a few questions but I was really thinking more of the other two members who could have been here today if they had known this subject was going to come up for discussion.

Mr. Stewart: Mr. Chairman, may I suggest that we stand Vote 40, proceed to the remaining votes under the estimates of the Department of Public Works and then at the end of our sitting today come back to Vote 40. At that time Mr. MacDonald can be permitted to

ask the questions he has in mind and we can also take up the procedural question of whether or not we can see our way clear to meet again on our present reference.

Mr. MacDonald (Prince): Perhaps in the meantime I could get in touch with the other members to see if they could attend this morning.

The Chairman: Will we stand Vote 40?

Some hon. Members: Agreed.

The Chairman: I will now call Vote 50, the details of which are on page 451.

50 Construction through National Parks, \$1,860,000.

Mr. Stewart: Excuse me. The Trans-Canada Highway is included in Vote 40, is it not?

The Chairman: That is a statutory one, I think.

Mr. Stewart: I wonder whether we could modify our order standing Vote 40 so that we could take up now the question of the Trans-Canada Highway?

The Chairman: There is no such subject in the Vote.

Mr. Stewart: No, but nevertheless there are questions that people might want to ask.

The Chairman: Yes. Therefore your provision has the effect of—

Mr. Stewart: It has the effect of exempting the discussion of the statutory provisions under the Trans-Canada Highway Act from the order just now made—standing Vote 40 so we can ask questions about the progress of the Trans-Canada Highway.

The Chairman: Do the members of the Committee agree?

Some hon. Members: Agreed.

Mr. Duquet: You have already said that Vote 40 stands; we are on Vote 50 now.

Mr. Stewart: If there is any objection, Mr. Chairman, I am quite prepared to waive removal of them.

The Chairman: Are there any questions on Item No. 50? Shall Item No. 50 carry?

Some hon. Members: Agreed.

Item No. 50 agreed to.

The Chairman: I now call Item No. 55, the details of which are on page 451.

Testing Laboratories

55. Operation and Maintenance, \$1,303,700.

Mr. Mongrain: Mr. Chairman, how many of those testing laboratories do we have?

Mr. Lalonde: There is one in Ottawa that specializes in testing construction materials and related items. There is a small one out West. It is in Banff but at the end of this summer it will be closed down, so there will be only the Ottawa one left.

Mr. Mongrain: May I risk putting another question, Mr. Chairman? How would the minister explain the fact that these laboratories do not come under the National Research Council?

Mr. Lalonde: I might ask Mr. Williams to answer that question. This happens to come under his jurisdiction.

Mr. Williams: Yes. The National Research Council is interested in research. This laboratory is not in the research field. It is used for testing materials which are purchased or are used in connection with government contracts, construction, maintenance, and so on.

Mr. Mongrain: That is material you buy and want to test yourself? It is not looking for new material or anything like that?

Mr. Williams: That is right. We also do a substantial amount of soils investigation in relation to those things we build.

Mr. Loiselle: At those testing laboratories, does anybody outside, that is, the public have anything tested there?

Mr. Williams: No.

Mr. Loiselle: It is only used by the Department.

Mr. Williams: Yes. We are not in a position to compete with private organizations which are in business to do that. As a matter of fact, we use private organizations a great deal for the same kind of testing elsewhere.

Mr. Mongrain: Mr. Chairman, I am still a little surprised to see that we have an appropriation of \$1,303,000 that—unless I do not understand—could be incorporated into the operations of the National Research Council. You know better about this than I. I am asking questions because I want to be sure I understand. Do you not think it could be incorporated into National Research Council?

Mr. Williams: The situation is that the National Research Council would like to devote their energies and efforts to research and they do not want to be involved in the routine, repetitive type of testing function which this envisages. To some extent you might say there is a duplication of facility. It has been investigated and in fact there is not, because for the type of repetitive testing we do on concrete, paints and cleaners and that sort of thing, they would require additional space and additional men, the same kind of thing that we have now.

Mr. Bower: There would not be any substantial saving?

Mr. Williams: As a matter of fact, they would not like to encourage this because it detracts from their main effort of research.

Mr. Bower: Mr. Chairman, I appreciate Mr. Williams' point about not getting materials testing laboratories mixed up with basic research, but does materials testing laboratory do work for departments of government other than Public Works?

Mr. Williams: Yes, it is a service agency to all departments and agencies of government.

The Chairman: Shall Item No. 55 carry? Item No. 55 agreed to.

The Chairman: Shall I call Item No. 1? You can ask any questions here, on the Trans-Canada Highway, for example.

Mr. Stewart: Yes, I think you should call Item No. 1, Mr. Chairman.

1 General Administration, including grants as detailed in the Estimates, \$19,734,600.

The Chairman: Are there any questions?

(Translation)

Mr. Mongrain: Mr. Chairman, how does the department go about recruiting unspecialized staff, here in Ottawa?

Mr. Lalonde: Could you wait just a moment Mr. Mongrain, please?

(English)

I should like to introduce Mr. Nelson, Director of Personnel Services, who has not yet been a witness. You had better come over here and listen to this.

(Translation)

Mr. Mongrain: To complete my question, Mr. Chairman, I would like to know if these employees come under the Civil Service Commission?

(English)

Is any of this staff hired by the Civil Service Commission or is it all hired by the heads of your different departments? How do you operate when you need to hire somebody, for instance, anybody working here in Ottawa and coming under your jurisdiction?

Mr. W. L. Nelson (Director of Personnel Services): If we are hiring from outside we do this through the Public Service Commission.

Mr. Mongrain: What do you mean by "outside"; from outside the city?

Mr. Nelson: We mean people from outside the Public Service; that is, bringing people in from outside industry or from other occupations. If we are talking about filling positions in the Department from inside government, a certain amount of authority is delegated by the Public Service Commission if a department meets certain standards. These standards involve having proper procedures and personnel and the Public Service Commission, in these circumstances, will delegate to the department the authority to make appointments within that department or within the Public Service.

Mr. Mongrain: In the case of carpenters, painters, electricians or trades of this sort, does the Civil Service intervene occasionally?

Mr. Nelson: Oh, yes.

Mr. Mongrain: But generally speaking, you do that yourselves?

Mr. Nelson: Most of the recruiting of these people from outside would be done through the Public Service Commission and all appointments would have to have their approval.

The Chairman: I think, Mr. Stewart, if you have a question about the Trans-Canada Highway this would be the time.

Mr. Stewart: I will wait to see whether anyone wants to raise any other question on Vote 1. What I am really trying to do is to give Mr. MacDonald time to get his members here. If no one else wishes to raise questions on Vote 1, perhaps I could use this opportunity to ask two or three questions concerning progress on the Trans-Canada Highway.

I should like to know how near completion the Trans-Canada Highway is? In how many provinces has the Trans-Canada Highway been completed?

Mr. Williams: I do not want to appear difficult but a question of definition is involved. A

highway is never complete because you build and rebuild it as long as it is in use. The terms of the agreement as initially proposed and covered by the Act, and still in force, were that there would be a paved highway of two lane capacity from coast to coast. That condition has now been met but standards were set also and to the extent that the provinces wished to build to these minimum standards the federal government would share the cost.

So long as the agreement is open, and it now extends to December 31, 1970, work will continue on the Trans-Canada Highway because someone will always be improving, within the two lanes, the road that is there now. There are still sections on which no construction has ever been done in terms of the Trans-Canada Highway agreement in some provinces, particularly the Atlantic provinces. There have been relocations in some of the other provinces where this would apply and that work will continue as long as this agreement exists.

Mr. Stewart: You spoke of relocations. Does this imply that if a provincial government so decided it could come to the government of Canada through the Department of Public Works, propose a re-routing of that highway which had been designated as the Trans-Canada Highway, and in some way get federal assistance for the new route?

Mr. Williams: That is possible.

Mr. Stewart: Would you explain the process by which this could be done? What would have to be done with relation to moneys already expended?

Mr. Williams: If a new routing is deemed advisable by the provincial government, they submit their proposal to the federal government for the new route and state why they wish to change it. In many cases this is valid because they are not in a position to provide a better standard by staying on the old route because of physical conditions, or the cost may be prohibitive. In those cases where the change in route is agreed to by the federal government, we share in the cost of the new work on the new routes and we recover whatever contributions we made on the work done originally on the old route.

Mr. Stewart: Has this procedure been followed in many instances?

Mr. Williams: Yes, it has been done frequently. You have to realize that the provinces started on this project in 1949 and the changes in conditions between 1949 and 1967

have been sufficient to warrant changes in location, the same as for any other highway.

Mr. Stewart: When you say the government of Canada recovers the money expended for the highway on the old route, does this mean merely that it recovers the total amount of money expended without any interest payments?

Mr. Williams: That is right.

Mr. Stewart: In other words, this is a good way for a province to get some cheap money.

Mr. Williams: In a sense, but you have to realize that the new work they are doing under the agreement is expensive money. It costs them a lot. If a dollar is worth 50 cents in the work they are doing now they have to put up the other half of that as well.

Mr. Stewart: Have there been any instances where a province has gone ahead with work under the Trans-Canada Highway Act and then, within two or three years, proposed an extensive re-routing?

Mr. Williams: I cannot say no categorically because there may be some very local situation involving perhaps half a mile of road—

Mr. Stewart: That is why I used the word "extensive".

Mr. Williams: I cannot say no categorically although I cannot recall any such instance.

Mr. Stewart: Mr. Chairman, those are the questions I wanted to ask on this subject.

Mr. MacDonald (Prince): I have not been here for all the questions Mr. Stewart asked but I believe, if I recall correctly, that a few years ago the Province of Prince Edward Island made a request in connection with the extension of the Trans-Canada Highway so that it would span the distance of the Island. At present it really only covers the central part of Prince Edward Island. Is that not correct? Was there not a formal request?

Mr. Williams: Yes, there was.

Mr. MacDonald (Prince): I do not remember the outcome. Was any hope given that this might be a possibility?

Mr. Williams: No, the routing of the Trans-Canada Highway within termini and its general location were established at the time the agreements were entered into but they could make minor changes. Prince Edward Island, I believe, signed about 1950. This may not be precise but it was about that time. The routing agreed on at the time was

to provide a national link, recognizing that it would not provide a total highway system for Prince Edward Island. As a national link it would run between the two ferry terminals and that position has been held I might say, by successive governments.

The Chairman: Shall Item No. 1 carry?

(Translation)

Mr. Mongrain: Mr. Chairman, I would like to put another question with regard to item 1. We learned through news reports, some weeks ago, that the federal government intended putting up public buildings in Hull. Are there any items in this connection in this year's estimates? Would it be possible to begin construction in that regard, or carry out these projects, or at any rate make surveys?

Mr. Lalonde: Mr. Chairman—

Mr. Mongrain: I believe these buildings were meant for the Department of Forestry and Rural Development.

Mr. Lalonde: The announcement made by the minister concerning the proposed construction of two buildings in Hull indicated, I think, that the intention was to begin work on the plans of these two buildings immediately and that two firms of architects, one for each building, had been assigned for this purpose.

At the present time we are having discussions with the Department of Forestry and Rural Development on whose account this work is being carried out. We should be in a position to reach an early decision in this regard. However the expense incurred for the preparation of plans or studies by architects and engineering firms has been included in our estimates for this year.

This comes under a general item covering the preparation of all plans without it being required to mention any specific building until such time as it is decided to proceed with the actual construction. This means that it will be almost one year before those items are actually included in our own estimates. Those amounts are included in our own estimates only when we know that the actual work is ready to begin.

Mr. Mongrain: This means, then, that no vote is to be included in this year's estimates in respect, say, of expropriation of land?

Mr. Lalonde: This would come under another vote, e.g. Preliminary Surveys in the main estimates.

Mr. Mongrain: Would the Deputy Minister say it, according to him, there might be dur-

ing the next fiscal year any expropriation of land, or perhaps any land development? I am not asking you to commit yourself by answering me! Just tell me if you have anything like that in mind.

Mr. Lalonde: There is no expropriation involved in this case since the property on which this laboratory is to be built already belongs to the National Capital Commission. What will be involved is simply a transaction between that organization and the Department of Public Works. In the other case we are at present negotiating with the City of Hull. This is required for us to begin our planning.

Mr. Mongrain: I was referring to expropriation, but what I really had in mind was preliminary planning.

Mr. Lalonde: I may say that—

Mr. Mongrain: Of course, Mr. Chairman, nothing could be further from my mind that this could be only an election promise.

Mr. Lalonde: Mr. Mongrain I can give you the assurance that both projects are underway.

Mr. Mongrain: This will be of benefit to the people of Hull. Thank you very much.

[English]

The Chairman: Shall Item 1 carry?

Some hon. Members: Agreed.

Item No. 1 agreed to.

The Chairman: I will now call Item No. 40.

40. Construction, acquisition, major repairs and improvements of, and plans and sites for the roads, bridges and other engineering works listed in the Details of Estimates, provided that the amounts within the Vote to be expended on individually listed projects may be increased or decreased subject to the approval of Treasury Board, \$19,965,000.

Mr. MacDonald (Prince): One of the difficulties, of course, Mr. Chairman, in trying to build on the discussion we had on Tuesday is the unavailability, through no fault of any of the staff, of the extensive discussion we did have on that day, so I will try as much as possible not to cover any territory that was covered on Tuesday. But on thinking about the general remarks after the session on Tuesday, one of the questions that came to my mind, and I am sure to the minds of others who have thought about it at any length, is that in the decision—and this is a general question—to defer further construc-

tion on the actual causeway portion until the whole project could be reassessed, there was a great deal of discussion about changes that might be made. These changes included the possibility still of the railroad and an eventual expansion to four lanes, and whatever these changes might be they might substantially reduce the overall cost of the project. I find it difficult to understand, having spent the amount of time, energy and resources at an earlier period to survey, examine and test the various possibilities of a transportation link that would encompass both a highway and a railway, how it could be possible to think of building a project more cheaply now and still retain the same elements without either sacrificing the design in other words, endangering it by some of the wind and weather factors—or simply removing some of the elements.

If you grant that this is possible now, we are then getting a more expensive causeway than was necessary earlier. It seems illogical to suppose that we are actually building a causeway encompassing a railway and a highway that is more expensive than we needed and that now we can go for one that is of a cheaper design without sacrificing, as I think the Deputy Minister mentioned, any of the qualities that will be necessary to retain this structure over the course of 100 years.

Mr. Lalonde: Mr. Chairman, in replying I would like to point out that perhaps we are engaging in a question of semantics here. Use of the word "re-design" can lead to a great number of interpretations. I am not sure whether it is not more accurate to say that what we are about to embark upon is a re-costing of each portion of each of the alternatives which were submitted in the first place to determine whether the comparative basis on which some recommendations and decisions were made were accurate and whether, under the conditions we are now aware of, one alternative which we accepted in the past over another would now be justifiable.

In other words, we want to look at the design in relation to the cost of its components. It may be that because of the cost of these components we may wish to alter a portion of an alternative. Now, there is a limitation to the number of alternatives that we can look at but what we want to do is to look at those alternatives, re-cost them and then compare them again and to add, as the Minister said the other day, some alternatives that we never even thought of. One of those was the question of whether it would be pos-

sible—I do not say it is—to have a one-level operation of a road with rail on that level, closing the road traffic during certain periods. It is an alternative we never looked at before.

Mr. MacDonald (Prince): Do you mean that in the original design consideration no thought was ever given to the inclusion of both the railway and the highway on the same level?

Mr. Lalonde: Not on the same level, no. At least it did not come as a recommendation.

● (11:40 a.m.)

Mr. Williams: In looking at various designs, at one stage, certainly there was highway and railway on the same level. They presented certain problems and the idea of carrying the highway on a superstructure solved a problem of expansion and it solved the problem of the width of the causeway and crest heights in a way that for the pricing they had assumed at that time was the best solution, so the other one was dropped. But the pricing, as we have indicated, was off the pace so now we have to re-examine those two.

Mr. Stewart: Mr. Chairman, I should like to ask Mr. Lalonde a question based on what he has just said. Would I be correct in deducing that the tenders received for the causeway section of the crossing were so high that it is now thought desirable to consider shortening the causeway section of the crossing? When you talk about readjusting the segments of the crossing is this the kind of possibility that you have in mind?

Mr. Lalonde: That is a possibility. I would only look at it from the point of view of the balance of cost, but I think Mr. Williams might want to add something from the engineering point of view because, as Mr. MacDonald has said, while the cost is a very important factor, sound engineering is just as important.

Mr. Williams: That is quite true. That is one alternative but it is not the only one because elements of the bridge also are affected and so you have to examine both. It is almost like going through a computer set-up where you plan in 30 or 40 different alternatives of different lengths of the various elements, but the main thing is that a cost figure is now introduced which is more in some elements than we had contemplated, so we have to re-examine the whole thing. Also there is the other discussion we had on the contracting procedure which would affect it as well. That is another element.

Mr. MacDonald (Prince): I think you mentioned too, Mr. Williams, that there comes a point where the depth of water makes the bridge more effective than the causeway and vice versa: that there is a breaking point.

To go back, Mr. Lalonde, to our earlier discussion there are still a couple of things that are not clear to me. As mentioned by Mr. Williams some consideration was given to the inclusion of the railway on the same level as the highway because of certain design and costing problems it was decided not to use that plan. Now, will it be possible in this reconsideration to overcome those design problems if it were considered a better financial proposition to have both on the same level?

Mr. Williams: Yes; I think what you are getting at is that if you are going to provide expansion space you are going to have to build into one level of a causeway room for future expansion to four lanes when such becomes necessary. Then you get into the question of whether it is worth the additional capital now for something you require 20 years from now, and the costing of that, as opposed to doing it some other way. It is just one of the other combinations you have to look at.

Mr. MacDonald (Prince): Am I right in assuming that one of the design problems is the possibility of either ice or spray or a combination of these things on a lower level affecting highway traffic that would not happen on a higher level?

Mr. Williams: That is correct. Here again it is a guess of cost.

Mr. MacDonald (Prince): Then again, Mr. Lalonde, on the same question you say that one of the principal factors involved in this re-assessment is really one of costing. Are you indicating by this that instead of an across-the-board increase in cost which takes place in almost every facet of construction, there have been unequal increases, that in some aspects of construction and may be a greater rise in cost than in other aspects?

Mr. Williams: I cannot really answer that. All I can say is that the decisions for this alternative opposed to that alternative in any of the elements were made on the assumption that certain things would be bid at a certain price. Now, if one item goes up substantially and another item does not, this changes the consideration of the alternative. It is the bid that makes the difference. You can say it is

inflation or whatever it is, but to us it is what the contractor wants to do the job and that is the governing price.

Mr. MacDonald (Prince): I would like to ask a general question because certainly the tenders that were submitted for the causeway portion have been a determining factor in all of this. In what way do Northumberland Consultants, or the Department in consultation with them, determine in advance the estimated bid? In other words, in order for you to provide your own estimate you must make some kind of appraisal of the situation and determine as closely as possible what it is going to cost. How is that procedure carried out?

Mr. Williams: Traditionally you look at what you have paid for similar work on other jobs and try to relate the terrain, the transportation, the demand and the activity to this and then put plus and minus to it. When you get a job like the causeway there are not too many previous jobs that have all of the elements we are concerned with or which compare in size. Where, on another job, you might have 20 bids in this case you get four because three or four of the people who normally would bid have to get together to handle it, so that is an element of it.

Because of that, in addition to looking at costs on similar jobs in other places we tried to price work that had been done, not just in Canada but around the world. The consultants also contacted contracting and engineering firms that had been associated with these jobs and had discussions with them to try to get some kind of pricing. It so happens that the people who are associated with the actual bidders on this job were involved in some of this interrogation which went on for a considerable period.

I talked to some of them and asked them what happened. The views of the individuals your deal with might be that they could do it for a certain amount, but when you are dealing with a joint venture and a board of directors representing perhaps four or five firms, and they are putting together their prices and their professional people and estimators are arguing it out, the directors and management of the companies putting it in say: Yes, and because it is "iffy" we want a mark-up on this of 10 and 20 above what you think it is. Now, this is the way they are developed. We try to forecast; sometimes we are good and sometimes we are bad.

Mr. MacLean (Queens): Mr. Chairman, I was unavoidably absent—I am not a member of the Committee to begin with—when this was discussed the other day so I hesitate to ask a question at all because I am running a very real danger of being repetitive, but I would like to ask a couple of questions related to the present discussions. Can you tell the Committee whether the experience was similar for the estimates and tenders for construction of the Canso causeway, or in that case were the tenders happily near or below the estimated cost?

Mr. Williams: I am sorry, I do not know.

Mr. MacLean (Queens): When this concept of a causeway to Prince Edward Island was first raised concurrent with the completion of the Canso causeway—or a number of years ago anyway—originally it was for a solid causeway with a lock or some such arrangement to let ships pass. Has this concept been dropped completely as impractical, or is consideration still being given to this as a possibility of re-design?

Mr. Lalonde: Mr. MacLean, I tried to explain why the Minister announced the government decision in the House the other day. You may recall some of the background yourself. From the records we have and from what transpired when we studied the critique sent to us by Mr. McCulloch a decision was made that we would not change the tidal regime or affect the fisheries industry in the area between the provinces involved. So far as we were concerned, that immediately ruled out the possibility of a solid causeway.

I was not with Public Works at the time of the first decision, but I understand two successive governments confirmed that they did not want to change the tidal regime or the flow of water in such a way that it would affect the fisheries industry. Of course, that rules out the solid causeway.

Mr. MacLean (Queens): And that situation still obtains regardless of what the relative costs might be? I am not aware of what they might be. There might not be an advantage anyway.

Mr. Lalonde: I must say that we and the consultants have taken a good look at the two documents we received from Mr. McCulloch and, as Mr. Williams has said, estimating is a very difficult science. He has changed his own estimate. I think, perhaps, a year from now he might change it again, but we hope and believe that the method of producing a crossing which we now propose to study again will

provide—I do not know for exactly how much more money—a solution that will marry the two conflicting factors of cost and the desire to retain the existing situation in the area. We might have to pay something to retain the present tidal regime but if it is worth it I think it could be a very sound decision.

Mr. MacLean (Queens): Were comparisons made between the tender costs submitted and the costs—I presume this would be the case—of somewhat comparable projects like the Chesapeake Bay crossing?

Mr. Lalonde: This is where it gets difficult again. As a matter of fact, the engineers who designed the Chesapeake Bay project were very much interested in doing their job too. But the conditions in Chesapeake Bay, and if you cross there you will know this, are very different from the conditions between Prince Edward Island and the mainland.

I think this is what Mr. Williams was getting at when he said that we really did not have any specific basis on which we could say: This is going to cost this much.

Mr. MacLean (Queens): I was not referring to cost per mile or anything like that. I meant comparable cost of things that are as comparable as you can get them; for example, the cost of laying down a certain cubic yardage or tonnage or fill—that sort of thing. In other words, are the contractors who have tendered on this competitive in the world market?

I do not want to be misunderstood. I am not passing any judgment on contractors; I am just seeking information. But is there a possibility that there might be some new or different concept, or some more efficient way of tackling the whole problem such as the transportation of fill by self-loading boats, or something of the sort, rather than by the more traditional way the contractors who tendered have been accustomed to?

Mr. Williams: With regard to the terrain and availability of materials, in relation to Chesapeake Bay there is not too much that is comparable unless you get to something like precast concrete elements, or something of that sort. That is about the only area where you can get a comparison. In the matter of fill it is a question of the quality, location and transportation. Whether or not some foreign companies might have had an input to this that Canadian companies did not have, again it is almost impossible to say. However, I think it is fair to say that the joint ventures that did bid are Canadian companies and the

specifications were written so it could not be a foreign venture take-over but the avenue was there for an input from foreign companies I think, without exception, all have international ties and connections, and they do operate. Representatives with whom I discussed the bids afterwards made reference to the pricing, the investigation, and the type of equipment they had looked at on work that was done in the Great Lakes and in the Straits of Mackinac. They related it to work which they had done on the Pacific Coast; they related it to work which had been done and with which they had been associated off the coast of Ireland. So they were looking for this. Now whether there is something new that they could put in is one of the elements that we discussed in part last Tuesday, that perhaps by re-aligning the procedure for contract calls of this, we may put together a combination which will make economic re-introduction or the development of some new equipment for this. As our re-assessment of the elements and the design to put these together develops, we intend to have discussions with these firms at that time, to try and get their input in, so that if there are any savings in this area we can, in greater depth than last time, get their input and see if we can reshape the thing that will fit their procedures and their methods better than the one we put out.

Mr. MacLean (Queens): Was it the proposal of the contractors who tendered to move fill by the usual means of truck?

Mr. Williams: Their tenders were not accepted; we discussed them with them. I think it is fair to say that more than one way was proposed; some talked of truck hauls, some talked of barges—there were a variety of ways for different portions of the work.

Mr. MacLean (Queens): I only make this observation as a layman, but on this sort of work in Europe invariably they use an overhead cable transfer system for moving large quantities of fill. Is this due to some economic reason that applies there but not here?

Mr. Williams: It depends almost entirely on the site and the length of transportation. They used an overhead system on some of the major dams in the west, but there again the terrain fitted it and the location of the source of supply fitted it.

Mr. MacLean (Queens): I have no more questions at this time.

The Chairman: Are there any other questions?

Mr. Macquarrie: Mr. Chairman, my intervention will be more a procedural suggestion than a question. This whole project is much more monumental than the terms of Vote 40 would indicate, and I think it would be responsible on the part of the Committee to go into it more thoroughly. I appreciate very much the exhaustive and, perhaps for them, exhausting information which has come from the Minister and his officials, but I think that the Committee should hear from Mr. McCulloch and some of the other people who have generally been suggested in the Steering Committee. I believe that A. B. Murchison and Associates put in a suggestion about the building of the causeway; I have heard no mention about them at all. Mr. McCulloch is the builder of the Canso Causeway and he has applied himself to an analysis of the plans. I think, it would be helpful to hear from some of these people before the item is passed. I agree with the Deputy Minister that there is a great danger of semantic difficulties and I would not want to ask any more questions in case I further them. So that is my procedural suggestion, Mr. Chairman, that we might look upon this great project from other points of view.

The Chairman: I am in the hands of the Committee. I should like to have comments about the proposal.

(Translation)

Mr. Mongrain: At first sight, Mr. Chairman, I could say that the proposal just made by our friend from Prince Edward Island is agreeable to me. However—

Mr. Chairman: Would you wait a moment please?

(English)

Mr. Mongrain: I will say it in English. This proposal is quite agreeable to me, Mr. Chairman, but could I ask the Minister if he sees any objection to delaying our vote on Item 40. Is there a hurry to go ahead with it?

Mr. McIlraith: That is pretty much a matter for the members, but my understanding of the new rules is that the estimates can be dealt with in the House of Commons whether or not they have been reported back from the Committee. If you bear that in mind I do not think there is any special hurry. We would of course like to finish up. I think the answer to your question is that there is no special hurry, bearing in mind that you are no longer required to return estimates before they are dealt with in the House. I think, there is some

urgency, about getting them through the House.

Mr. MacDonald (Prince): Mr. Chairman, I should like to concur with the suggestions of Mr. Macquarrie and, in adding to those, I think inasmuch as one of the large questions for consideration will be the whole problem related to railway service that it would be important to have perhaps someone representing the Maritime Transportation Commission—people who have specific knowledge and expertise on this question, and perhaps even representatives of the Canadian National Railways who will be very much involved in any developments along this line.

Mr. Stewari: Mr. Chairman on one aspect of the proposal I would like to make a comment, that of having Mr. McCulloch come and testify before the Committee. As I understand it, two successive governments decided they did not want to change the tidal regime in the Northumberland Strait area. Mr. McCulloch is proposing a solid causeway. I think it is obvious that this would involve a change in the tidal regime. I wonder if the Committee seriously wants to undertake spending time discussing a change of these proportions. If we want to meet Mr. McCulloch, that is one thing, but if we want to re-think the whole nature of this project that is quite another thing. I, as a member of the Committee, would be reluctant to spend such time unless it is clearly established that we go back and start this whole process of thinking from where we were when the Government made the initial decision not to change the tidal regime.

Mr. MacDonald (Prince): Mr. Chairman, I think this would be correct if the only thing that Mr. McCulloch was doing was making a recommendation for his own particular view which is a solid rock causeway. I think as valuable or even more valuable is the amount of time Mr. McCulloch has spent criticizing the present project by indicating factors he thinks, from his engineering experience particularly with the Canso causeway, do not hold up. I think this will be tremendously important for no other reason than the availability of his experience and criticism of the present design, which is an extremely important factor in view of the time that Mr. McCulloch has put in on this particular project.

The Chairman: You have the floor, Mr. Duquet.

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Mr. Duquet: Mr. Chairman, unlike Mr. Macquarrie and the other member, I do not think that we should hear Mr. McCulloch. During the previous sittings and even today, we have discussed this subject from every possible angle. We have been informed time and time again that the experts from the Department have studied all the implications of Mr. McCulloch's criticisms. Since the beginning of our hearings we have been privileged to obtain from every department official lectures on engineering and, I say it again, all the facts relating to this project have been fully discussed.

There remains an element of prime importance: the Department, after having received answers to the call for tenders, has considered that the price was too high and that the project should be studied again, that a more detailed study should be made following the representations made, the bids tendered and the McCulloch Report. I do not see why we should prolong our deliberations and delay the adoption of item 40. What would we gain from supplementary evidence in this matter? The department is obviously considering now what are the most practical means to make the project a reality. As far as I am concerned, the important thing is precisely that intention of the department to go ahead with the job. In view of this principle, we should carry item 40 without having to hear supplementary evidence which, in my opinion, would not add anything to what we already know, nor alter in any way the department's intention and the nature of the project, as Mr. McCulloch's opinion about the construction of this project differs sharply from the department's own ideas.

The Chairman: Mr. Mongrain, do you want to ask a question?

Mr. Mongrain: If I may ask a question of the Minister, how long in your estimation will your Department need to re-assess the whole project?

Mr. McIlraith: I declined to be pinned down to a precise date on that at the last meeting because I simply cannot tell how long the engineers will take. It will depend what changes there are. However, I did make it clear that I thought there was a possibility of not using any effective building time, bearing in mind that building time in this context is the summer season.

Mr. Mongrain: When you speak of engineers, Mr. Minister, I presume that there will be not only your engineers but that you might have some consultants too.

Mr. McIlraith: We have the consultants, three firms formed in a combination called Northumberland Consultants Limited; their names were put on record at the last meeting. It is the consortium of these three firms who are the consultants and then we have our own departmental engineers, including the new man we have brought in, Colonel Churchill, who will be assigned to this job exclusively, co-ordinating it for the Department.

Mr. Mongrain: In that case, Mr. Chairman, I would not have any objection to voting on Item 40 now because I do not think we will have any results within at least the next eight or nine months and I do not think we laymen here can solve those complicated problems. I think the more we discuss them the more we will complicate them so I, personally, do not think we are hurting the aims of our friends from Prince Edward Island—we should wait until we have more definite proposals on this re-assessment to look at. I personally would be agreeable to voting on Item 40 now.

Mr. Macquarrie: Mr. Chairman if I might address myself to the remarks of my colleagues, the last three speakers, I should think, considering the Department is in a period of re-assessment, that the drawing in of outside experts would be helpful to them; and most certainly I agree with my friend from Trois Rivières, that it would be most helpful to those of us in the Committee who are laymen to have another technical man who has given great and detailed study to this project. Mr. McCulloch, as well as having applied himself to an analysis of the project, has been the father of a couple of pretty important Public Works projects of the federal government down in the Maritime Provinces, and is a man of considerable prestige, I refer to the Canso Causeway and the Hillsborough Bridge which were fairly substantial projects. I think that on a matter of such magnitude and one in which the problems have been multitudinous, as witness the remarks of the various officials, that we would be something less than fully responsible as a Committee examining this major project if we lost any opportunity to hear the views of people who are knowledgeable on this project. I would be very reluctant not to have Mr. McCulloch certainly given a hearing because he has tendered information and I think it would be only in the realm of courtesy, to say nothing of prudence, to have this man here and have his views.

I would say to Mr. Stewart that I want to hear him not only as a proponent of a solid

causeway but as a pretty serious critic of the suggested program.

• (12:10 p.m.)

(Translation)

Mr. Mongrain: Mr. Chairman, I would like to ask another question which occurs to me following the remarks of our colleague Mr. Macquarrie.

(English)

I am under the impression that this gentleman, Mr. McCulloch, could be one of your casual consultants while you re-assess. Could I have that point clarified, Mr. Minister?

Mr. McIlraith: At one point a number of years ago he was invited to act as one of the consultants and he withdrew and would not. Now, when he is not charged with the responsibility, to have a man without responsibility making decisions is a pretty doubtful proposition. The whole report is based on the proposition of a solid causeway on the crossing and, as indicated in the evidence at the last hearing, that does certain things to the tidal regime there, and the former Government took the decision to reject the proposition for a solid causeway because the implications on the fisheries industry of the three provinces was unknown to them as well as certain other implications of damage consequent on raising the level of the water an additional five and a half feet, I believe—I have forgotten the exact figure—over the other method. So that decision was taken at that time. It was their assessment of the importance of the fisheries industry and certain other matters in those provinces. The matter was again reviewed by the present Government which took the same position, in the light of studies, that we just could not put that kind of a crossing in with these consequences. The consequences are established in fact; I do not think anybody has questioned those, as far as I know, at any point. In the light of that I find it a little difficult to understand the pressing on the McCulloch matter, particularly in view of the fact that we had his commentaries examined in a detailed and thorough way by the consultants and independently of them by our own engineers before taking any decision about them.

There is one other point that bothers me in this whole evidence. I have not been able to see very much relevance between the Canso Causeway and this crossing. There is no other crossing quite like this one. The Chesapeake Bay one may have some relevance on several points but for the life of me I do not see

much relationship to the Canso one because it is a short crossing and, in terms of ice in the Northumberland Straits, there is no significance, and with a quarry of very fine quality rock a mile or three-quarters of a mile in length right at the end of the crossing. The tides are quite different. I have found myself quite mystified why it has always been mentioned as a base for this because it is a different operation and a different job altogether.

Mr. Mongrain: May I add, Mr. Chairman, that I am very much impressed when I see a Conservative Government and a Liberal Government come to the same conclusion and that strengthens my belief that we should vote on Item 40 now.

Mr. Loisele: Mr. Chairman, I feel this matter was fully discussed on Tuesday. We entered into full discussion on the actual project—the bridge, the causeway and so on—at which time the opposition of Mr. McCulloch was brought up by some members. We had the affirmation from the Minister and from the officials of the Public Works Department that all the opposition brought up by Mr. McCulloch was studied by the engineers of the Department as well as by the consulting engineers. Our friends are again reverting to Mr. McCulloch's project, with nothing new to add. Therefore, I do not think we should continue discussion on that unless our friends want to ask more questions on the subject. I move, seconded by Mr. Leblanc, that a vote be called on Item 40.

Mr. MacDonald (Prince): Mr. Chairman, it seems that we are in danger of confusing two things in this consideration. We are in danger of confusing the question of whether or not Mr. McCulloch comes before the Committee with the whole question of a more detailed examination of the factors bearing on this decision. I think there is a danger in the minds of some of regarding this just as another Public Works project, perhaps one of considerable magnitude in terms of expense but in the same category as a number of others that are listed in here. I say it is not. I repeat the words of the Minister when he reminded the Committee on Tuesday that what we are dealing with is a transportation link from one province to another. I believe it has been quite some time since this question has been dealt with seriously in Committee. I cannot recall it being dealt with, even though I have not been here that long. Further, we are in a period now when a great many fundamental

questions are definitely going to be looked at. One of the principal of these is whether or not there will be rail facility on this link; whether or not there will be rail service on a ferry; whether or not the question of railway will be abandoned altogether, or any combination of those three possibilities. It would seem to me to be somewhat irresponsible on our part, realizing that this whole question is open to consideration realizing that there are people who have much information on this question—and I mentioned earlier the Maritime Transport Commission and the CNR—not to offer the opportunity for a full examination of this. One matter which I would have raised last Tuesday had I recalled it was that if there was a decision made to handle all of the rail service by ferry then this might very substantially alter the whole system of warehousing in Prince Edward Island and it might necessitate a very large construction of warehouse facilities on the New Brunswick side. This is only one of the many problems that we will be faced with in this whole question. I would hope that the other members of the Committee who are not directly related to or from Prince Edward Island would not look upon this as simply a small parochial issue but one involving inter-provincial transportation, the decision on which will have very great bearing for the next 100 years.

Mr. Stewart: Mr. Chairman, my impression is that none of the members of the Committee regards this as merely a local work. If this Committee is going to undertake seriously a total examination of the hydraulics and economics and transportation considerations going into this I can see that we have work cut out for us for three or four years.

We mentioned the name of one engineer, Mr. McCulloch. We should certainly have the people who were in on the Chesapeake Bay crossing. There are engineers after engineers who could be called here. Frankly I think we have a question of prudence here. Do we want to say that we distrust the present consultants and the officials of the Department of Public Works to that extent that we want to try, in this Committee, to make for ourselves these fundamental engineering, economic and transportation decisions?

I, as one member of this Committee, feel incompetent to undertake that kind of examination of a project which I regard as of great importance and involving a good deal of urgency. Consequently, although I see the point that Mr. MacDonald is making, I come down

on the other side and say that I am prepared to follow through with out present consultants and the Department and hope that in a few months they will be in a position to put forward a proposal which will get this crossing between these two provinces under way. That would be my view on the matter, Mr. Chairman.

Mr. Macquarrie: Mr. Chairman, I am not accustomed to being one and I have no appetite for becoming one—I am referring to a filibuster—but I am appalled at the reluctance to give a hearing to a person who is in a quite different category from the Chesapeake Bay engineers. Mr. McCulloch has sent to the public domain some serious analyses of this very important project. He has entered the discussion; he has submitted to the government certain suggestions. We have heard today and we have heard on Tuesday of the reputation of some of his ideas. I think that in all fairness either a layman or a technician would want to give him his day in court. He has given a great deal of time to this very important matter and I think it is worthy of the time of the Committee to hear a man who is gifted with certainly some expertise.

I would say to the Minister that the reference to the Canso Causeway would indicate that the bona fides of this man were not such as to be cast aside as just another engineer. This man is applying his knowledge to this particular project.

I would say that the Department—and this is no reflection upon it—has indicated that it is having a little trouble with some of these problems. I do not think it would be unhelpful to their understanding and it would certainly make me feel much better, as a responsible Member of Parliament, if I did not become a party to denying the opportunity for enlarging our information from one in our midst in the country who is keenly interested in and well qualified in terms of knowledge. I would be very sorry if we decided that we could not find a morning to hear Mr. McCulloch.

Mr. McIlraith: May I ask a question at this point by way of clarification? Would you bring a man who has no responsibility and who has made a commentary on some work contrary to the recommendations of two successive governments? Would you hear him and not hear the other engineers, the consultants on whom two successive governments have spent a great deal of money and in whom those two successive government have expressed their confidence and whose reputa-

tion is also very well established in this country—three engineering firms?

Mr. Macquarrie: I do not know whether the Minister was here or not when I first intervened today. My suggestion was that we would want to hear Mr. McCulloch and certainly those as well whose names had been suggested to the steering committee, and that includes the group to which the Minister makes reference.

The Chairman: Mr. Macquarrie, would you make it a formal motion?

Mr. Loiselle: I have one up there on the table seconded by Mr. Leblanc. If Mr. Macquarrie wants to make an amendment that is all right.

Mr. Duquet: I would like to add a few words to what was just said. If Mr. McCulloch had not expressed his views on the project I would be the first one to agree that he should be called to give his opinions on this but he has taken advantage of the project to give his views, which views have been examined thoroughly by the experts of the government. I have no doubt in my mind that Mr. McCulloch must be an expert but I also have no doubt that the consultants of the Department of Public Works, as well as the engineers, must also be some kind of experts. I do not see why, because Mr. McCulloch has taken the opportunity of expressing his views, which has enabled those views to be studied by the consultants and engineers, he should be called here unless he has something to add to what he already has said about the project. For this reason I am still of the opinion that there is no reason for calling Mr. McCulloch and I would propose that the motion be presented.

Mr. MacDonald (Prince): Mr. Chairman, Mr. Stewart made a couple of remarks with which I would like to take some issue. One is that I think by distortion possibly we might be spending three or four years considering this project and all receive our honorary degrees in engineering. This certainly is not in my mind but we have opened up a subject here and we have really only half opened it up. It disturbs me that we have been willing, up to this point, to talk only to the Minister and his departmental officials about this pressing problem without being willing to consider hearing the 3, 4 or 5 witnesses who would then fill out the story so that we would have a more accurate and, I think, a more objective picture of our present dilemma.

Mr. Stewart suggested as well that he would prefer, since we have entrusted these responsibilities both to the Department and to the Northumberland consultants, to continue to trust them. I do not think it is a question of trust or mistrust. These are very black and white kind of prejudicial words. What I am talking about is the fact that in the last two years we have witnessed three or four substantial alterations in the project. The Minister questions that? The ones that I can recall are those with regard to the scheduling of the project, to the changes in the length of the causeway and bridge, to the necessity of delaying the awarding of the contracts last fall, and finally the difficulties with the present re-assessment of cost and design.

If these are not matters which should engage our attention I would like to know at what point we should engage our attentions. I think it would not be responsible or in the best interests of our representation here if we did not have the opportunity at least, in one or two further sessions, to talk to the other persons mentioned so that we could have the more complete account. I think we have really only half opened it and that it would be irresponsible on our part simply to close it off at this point having been willing to listen only to the Minister and his departmental officials.

Mr. MacLean (Queens): Mr. Chairman, I am not a member of the Committee but perhaps I might be allowed to make a suggestion. It seems to me that the Committee faces two problems. One is the approval of the estimates and referring them back to the House and so on. I think that that should not be delayed unduly. On the other hand, this is a very major project and it seems to me that we should not be discussing the question of whether we hear a particular witness or not. That surely is a job for the steering committee. But I would like to feel that there is some means whereby the Committee could study this problem further—perhaps that is the wrong word—elicit information from the Department. I can imagine that in the year ahead, before there is anything again referred to this Committee, it might be a tremendous advantage to the Department to have the opportunity to present any new developments that there may be and that would be of general interest to the public by means of the Committee. It would be an unfortunate situation if the Committee were dead, as it were, until the 1968-69 estimates are to be proceeded with. It might be advantageous to consider

the possibility of having some vehicle by which the Committee could meet to discuss this problem further from time to time if the steering committee saw fit.

The Chairman: Mr. Neveu, please proceed.

[Translation]

Mr. Neveu: Mr. Chairman, I have listened very carefully to the remarks made by my fellow members of the Committee. I think this matter has been exhaustively discussed. We have been given much pertinent information, but we are getting away from our responsibilities from our duty as representatives of our people.

Of course I am happy to see that those policies have been approved by the previous as well as the present governments. It is also necessary to keep in mind the various responsibilities involved and have confidence in the people who are entrusted with the implementing of decisions, because they are accountable for the manner in which those decisions are carried out.

Our duty as members of the House of Commons and as members of this Committee demands that we be the advocates of the common good and not that we plead the chase of Mr. McCulloch. In view of all this, Mr. Chairman, I ask that the question be put.

(English)

The Chairman: The Chair has before it the motion of Mr. Loiselle seconded by Mr. Leblanc that Vote No. 40 carry. Those in favour?

Some hon. Members: Agreed.

Some hon. Members: On division.

Vote No. 40 agreed to.

The Chairman: Shall I report to the House recommending the adoption of—

[Translation]

Mr. Mongrain: I apologize for interrupting you. I would like to raise a point. I will make this a question of privilege so as to be sure that I will not be declared out of order.

The Chairman: Ask your question of privilege, Mr. Mongrain.

[English]

Mr. Mongrain: Here is my point, Mr. Chairman. I see in front of me a nicely made microphone bearing the inscription *Shure Brothers Incorporated, made in U.S.A.*, and I have noticed that most of the electronics we have here were bought in England. Am I to understand that there is no firm in Canada

that can manufacture and sell those things to the specifications of the Department?

Mr. McIlraith: I cannot answer that question, Mr. Chairman.

Mr. Mongrain: I would like to suggest that we enquire further into this and maybe we can decide to buy Canadian. Thank you, Mr. Chairman.

The Chairman: Is anybody ready to answer that question?

Mr. Lalonde: This is not our equipment. It is equipment provided by the people who have the contract to handle the—

Mr. Mongrain: Yes, but during the time we want them to buy Canadian?

Mr. Lalonde: If it is available. But I am not aware as to whether it is or not. I know that it is very specialized equipment.

Mr. Mongrain: I am under the impression that it is. I happen to have a little bit of experience in that line.

The Chairman: Order, please. Shall I report to the House recommending the adoption of the estimates?

Some hon. Members: Agreed.

The Chairman: Therefore I would like to thank the Minister and the Deputy Minister also the officials of the Department of Public Works for their co-operation and assistance, and for the manner in which they supplied detailed answers to questions asked by members of the Committee.

The Committee is adjourned to the call of the Chair.

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The Clerk of the House.

